FOREIGN BROADCAST INFORMATION SERVICE

Daily Report

East Europe

FBIS-EEU-93-154
Thursday
12 August 1993

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FBIS-EEU-93-154 *12 August 1993*

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Izetbegovic Sets Deadline for Serbian Withdrawal

AU1108181993 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 11 Aug 93

[Report by Nada al-Isa from Geneva]

[Text] The Geneva talks on Bosnia-Herzegovina will end tomorrow unless the aggressor withdraws from Mt. Igman and Mt. Bjelasnica by 1000 tomorrow morning. This was stated by President Alija Izetbegovic of the Bosnia-Herzegovina Presidency after talks with international cochairmen Owen and Stoltenberg. All the Bosnia-Herzegovina Presidency members attended these talks.

President Izetbegovic said clearly that the aggressor's side will be responsible for the breakdown of the Geneva talks, as it does not respect any agreements, responsibilities, or promises. [Words indistinct] on behalf of the cochairmen to extend the withdrawal deadline given to the aggressor for a few more days. However, this was rejected as, according to President Izetbegovic and other members of the Presidency, the aggressor has already had plenty of time, and all the deadlines have expired anyway.

There have been some proposals put forward by the Presidency members to give the aggressor another conditional deadline, meaning that negotiations should go ahead in the meantime. However, it was finally agreed that the aggressor has been given enough time as it is. So the withdrawal by the aggressor's army will be given until 1000 tomorrow morning. [Words indistinct] what the decision will be. At 1000 exactly tomorrow the Bosnia-Herzegovina Presidency will again meet Owen and Stoltenberg. Then we will know whether another round of Geneva talks will follow, or the talks will break down.

Mediators Demand Withdrawal

AU1108155893 Paris AFP in English 1649 GMT 11 Aug 93

[Text] Geneva, Aug 11 (AFP)—International mediators have told Bosnian Serb leader Radovan Karadzic his forces should withdraw completely from Mount Igman by Thursday morning [12 August], a UN spokesman said Wednesday.

"Despite evidence of a considerable withdrawal being in progress, some Serbian forces remain on Mount Igman," said John Mills, a spokesman for mediators Lord Owen and Thorvald Stoltenberg.

The mediators, he said, "told Dr. Karadzic that all of his troops should withdraw from Mount Igman and this withdrawal should be effected by the middle of tomorrow morning."

Earlier Wednesday Bosnian President Alija Izetbegovic threatened to quit peace talks here and go back to Bosnia within two days if the Serb forces failed to make good on a pledge to leave Igman and another strategic mountain overlooking Sarajevo, Mount Bjelasnica.

Izetbegovic told the mediators his forces would not try to take over any positions evacuated by the Serbs, Mills said.

Serbian Helicopter Violates Airspace

AU1208085493 Tirana ATA in English 0831 GMT 12 Aug 93

[Statement of Defence Ministry spokesman—ATA headline]

[Text] Tirana, August 12 (ATA)—The Albanian Ministry of Defence reports that on August 11, 1993, at 13.00 [1100 GMT], a Serbian helicopter violated Albanian air space in the village of Zogaj-Shiroka in Shkodra district, covering a 15 kilometers distance, 8 kilometers inside the Albanian territory, at an altitude of 300-400 meters.

Albanian forces intercepted the helicopter and monitored its progress to deter this flagrant military provocation. The Ministry of Defence protests against the violation of Albanian air space, integrity and sovereignty and condemns such provocations which might have had very grave consequences.

This latest provocation which took place a few days after the serious incidents along the Albanian border in the area of Tropoja, which resulted in injuring two Albanian soldiers and a peasant, give evidence that the chauvinistic and militaristic circles in Belgrade are consciously moving to heighten tension with Albania and create conflict.

We deem it appropriate to emphasise that the Serbian military provocations against Albania have been intensified following the attempts of the Security Council to compel Serbia to cease its military aggression and the U.S. warnings to Belgrade that Serbia must prevent further extension of the conflict.

Serbia's recent provocations against Albania should convince international organizations to take action against Belgrade in order to prevent Serbian chauvinists from extending the war to the south.

ATA Views Milosevic's 'Criminal Behavior'

AU1108132293 Tirana ATA in English 1202 GMT 11 Aug 93

[Serbians Continue Their Provocations Against Albania—ATA headline]

[Text] Tirana, August 11 (ATA)—Belgrade's refusal to accept CSCE observers in Kosova gives evidence that Milosevic not only does not intend to give up his criminal behaviour, but rather will intensify it, according to an article by Edi Paloka in RILINDJA DEMOKRATIKE.

The recent border incidents which resulted in the death of Albanian military men and civilians show in which direction Milosevic intends to move the Balkan conflict. Milosevic, the last communist still in power in Europe, is playing the same card of nationalism and chauvinism which proved successful his predecessors in Serbian politics. The writer believes it obvious that reliance on this policy will bring about Milosevic's ultimate downfall.

It becomes ever more indispensable as the Serbian leaders become ever more irrational thao the international community take a decision for intervention to settle the Balkan crisis, the article says. At present when international military intervention against Serbian forces is being discussed, the Serbs are instigating grave incidents along the Albanian border.

To date, the Albanian government has pursued a policy of maintaining equilibrium, trusting in the activity of the international community. But obviously, the mature attitude of the Albanian Government is faced with increasing provocations from Belgrade. Therefore, the international community must be determined to prevent the bloodshed and slaughter Milosevic is preparing in Europe, the article writes in conclusion.

Shehu Signs Agreement With Italian Counterpart

AU1108062493 Tirana ATA in English 0805 GMT 8 Aug 93

[Text] Tirana, August 8 (ATA)—The Minister of Health of the Italian Republic Maria Pia Garavaglia and the Minister of Health and Environmental Protection Tritan Shehu signed an agreement of cooperation in Tirana on August 6 before noon. It envisages Italian help in the reorganization of the Albanian medical system through a close cooperation between medical institutions of both sides, exchange of specialists, experience, participation in joint activities, prevention and medical check up, exchange of experience in preventing drug addiction, AIDS and the qualification of specialists, exchange of experience in the field of legislation organization and development of medical sector in general, and the pharmaceutical one in particular.

At the end of the talks, both parties agreed on creating a technical committee to program and verify the objectives defined in the agreement and the problems that may arise in the future. According to forecasts, the first meeting of this committee will be held in Tirana within December 31.

Yugoslav Minister on Transit Through Serbia

AU1208114193 Sofia BTA in English 0904 GMT 12 Aug 93

[From BTA's 12 August Press Review]

[Excerpt] Sofia, August 12 (BTA)—DEMOKRATSIYA carries an extensive interview with Yugoslav Foreign Minister Vladislav Jovanovic. Commenting on Bulgaria's request for transit passage via Serbia, Mr. Jovanovic says that the proper way to proceed is Bulgaria asking the United Nations Security Council to revoke Resolution 820, which he describes as "dead." "Sanctions are pointless on this basis. Bulgaria should face the truth and understand that this resolution is unfair, it should launch the initiative for the revocation of sanctions ensuing from the resolution for the sake of its own stability, prosperity in the region and the prestige of the UN Security Council," Mr. Jovanovic believes. In reply to another question, he says that "the rights of the Bulgarian minority in Serbia are guaranteed," adding that the problems arise in the period of sanctions when Yugoslavia's finances do not create good conditions for the promotion of these rights in full measure and that that is what hampers enjoying them. "The act relieved us from the burden of the Macedonian minority problem," Mr. Jovanovic says commenting on Macedonia's secession from the Yugoslav Federation. "This problem is absolutely non-existent for us and now the relations between Bulgaria and Yugoslavia can develop unhindered as it becomes neighbouring countries which are geographically and politically close," Foreign Minister Jovanovic says. [passage omitted]

Three More Communist Leaders Indicted

AU1208060793 Sofia BTA in English 1903 GMT 11 Aug 93

["Today"—BTA lead]

[Excerpts] Sofia, August 11 (BTA)—At the National Investigative Service today, charge sheets were served on another three former Communist Party and state functionaries. They are charged with gross embezzlement in Case No. 3 on the allocation of grant aid to third world countries and foreign communist parties. "The charges are politically motivated and unproven," Mr. Chudomir Aleksandrov, former Politburo member, told the press. His charges list 83 million leva. Former Secretary of the Central Committee of the Bulgarian Communist Party Emil Khristov (37 million leva) said it was a common practice worldwide to provide arms to friendly parties and states.

At the invitation of the Bulgarian Ministry of Agriculture, an Iranian delegation, led by Iran's Deputy Agriculture Minister Mr. Abdullahi [name as received], is visiting here, said the press centre of the Agriculture Ministry. The guests visited agricultural facilities and showed interest in the construction of irrigation and land reclamation projects, erosion control and organization of Bulgarian freshwater fisheries, the press release says.

The Bulgarian Socialist Party condemns any attempts to sour relations between Bulgaria and the Republic of Macedonia and to stir up artificial ethnic tensions in the Pirin area, says a release of the press center of the BSP and the Parliamentary Union for Social Democracy. The release was occasioned by press reports about actions of the unregistered Ilinden United Macedonian Organization in Skopje.

Meeting supporters in Veliko Turnovo (north central Bulgaria), the leader of the Union of Democratic Forces Filip Dimitrov said that he thinks elections could come much earlier than expected because the state was falling apart and this process had to be halted. Discussing political developments in Bulgaria, Mr. Dimitrov observed that the Union of Democratic Forces is now in a more advantageous historical position because in possible elections will not confront a real political opponent. The union may well return to power in the harsh winter months, Mr. Dimitrov believes.

"The extension of the border checkpoint at the bridge over the River Danube will be completed on schedule and there is no reason to fear that construction work will lag behind," Deputy Prime Minister Neycho Neev said in Ruse today. He discussed with the local authorities problems concerning the construction project, whose early completion is vital to increase the traffic capacity of the border crossing.

In a letter to President Zhelyu Zhelev and Prime Minister Lyuben Berov, the mayor of Sofia Prof. Aleksandur Yanchulev voices concern over "rampant crime" in the capital city. In the letter, a copy of which has been received at BTA, the mayor insists on lifting the moratorium on the death penalty for particularly serious crimes and on establishing a procedure for summary trial of criminals caught red-handed. The mayor of Sofia also urges for the establishment of a municipal police force and warns that if nothing continues to be done about crime control, he will call on Sofianites to organize their self-defence, asking that more citizens be licensed to possess arms and form voluntary vigilante committees, the letter emphasizes. [passage omitted]

A possible mark-up of electricity may lead to a dangerous price jump and to an inflation considerably higher than the government-projected 60 percent, according to experts of the Confederation of Independent Trade Unions. "The government's motivation for a price rise does not hold water and the confederation will disclaim responsibility if the cabinet makes any such move," the confederation's leader Prof. Krustyu Petkov told a news conference today.

The truckers of a Sofia-based branch of the SO-MAT road haulage company declared a strike alert today. A total of 20 TIR [International Road Transport] trucks have been parked on the side lane of two of Sofia's major transport arteries, Bulgaria Boulevard and Tsarigradsko

Chaussee Boulevard, but they do not intend to block the traffic for the time being, representatives of the initiative committee told reporters today. If their demands for a separation of the branch from the company are not met within one week, however, the crews of some 60 heavy-duty trucks will go on strike and traffic may be blocked, they warned.

The trade unions of locomotive staff and the trade union of railway station employees and train crews have issued a declaration insisting that the culprits for what they call the present absurd state of the finances of the Bulgarian State Railways (BDZ) Company be called to account. The declaration was made public at a press briefing today. The trade unions want the BDZ management to take urgent measures for the prompt payment of railwaymen's wages by September 1. Otherwise, they reserve the right to take any action within the law, the declaration says. [passage omitted]

Commentary Views Dogan's Current Status in DPS

AU1108090493 Sofia KONTINENT in Bulgarian 9 Aug 93 p 8

[Georgi Asyov commentary; "Dead End?"]

[Text] Despite being desperate, Dogan is hardly likely to resign. This is because, first of all, the Turks know how to appreciate their leader, and second, because, with or without Dogan, the problems of the Movement for Rights and Freedoms [DPS] will remain.

After parting with the Union of Democratic Forces [SDS] because of its disloyalty or egoism, Dogan's people entered into an unnatural marriage with the Bulgarian Socialist Party [BSP], because eventual elections could have put an end to the DPS role as the balancing force in the parliament. However, this happened anyway with the establishment of the New Alliance for Democracy.

The alliance with the SDS did not bring the DPS voters anything more than misery, unemployment, and immigration. One does not know the dimensions of the DPS betrayal in associating with the BSP, but it appears that this will also not bring anything to the DPS voters in the near future.

This is the source of Dogan's nervousness. He realizes that, whatever he does, his influence is melting like snow, and let us not even mention his voters' emotions, evoked by the coalition with the party of the former initiators of the "revival" process. This is a coalition with a treacherous partner that holds a rose in one hand, and the key to the 8 percent [number as published] parliamentary barrier in the other. The alliance with the BSP increasingly appears to be participation in saving the old regime.

All this forces Dogan to hassle and feverishly seek real allies. Those who are cornered often become ingenious. Therefore one should not be surprised if the DPS finds a light at the end of the tunnel even in the present dead end situation it is in at present.

World Bank Official Views Progress of Reform

AU1108050693 Sofia BTA in English 1214 GMT 10 Aug 93

[Text] Sofia, August 10 (BTA)—Mr. John Wilton, resident representative of the World Bank in Bulgaria since the opening of its office on September 10, 1992, was kind enough to grant an exclusive interview to BTA's BULGARIAN ECONOMIC OUTLOOK weekly [BEO]. Following is a summary of the interview which will be included in BEO No. 33 (coming out on Friday, August 13).

Q: Mr. Wilton, how would you sum up your own performance over the last ten months? Did your mission succeed, and how far did Bulgaria and its reform live up to your expectations?

A: it's a mixed picture. On the positive side, we've established the office in Sofia, we have recruited all of the Bulgarian staff—who are excellent, so we now have a fully functioning office. More importantly, we have made progress in trying to support the Bulgarian reform programme, which is the major function of the office. We have committed to Bulgaria a total of U.S.$445 million for five projects, covering structural adjustment, technical assistance, energy, telecommunications and an amount of credit for private investment. So I think that's a success, too. On the negative side, we would have liked to have provided more support, thus in answer to the second part of your question, I believe the Bulgarian reform programme has been slower than we expected and that this has delayed the support extended by the World Bank.

Q: What do you think caused this delay in the reform and does it reflect on the assistance from the World Bank?

A: The reform programme started to be implemented at a slower pace in the middle of '92, when the political situation became less stable, culminating in the change of government at the end of '92. This kind of political change would cause a delay in the implementation of an economic reform programme in any country. Bulgaria is no exception. If you change the government, it always causes some friction. And, as Bulgarians know better than I do, parliament during '93 has not focused on the economic programme but has been occupied by political issues which may be important to Bulgaria but they have imposed costs in terms of delaying the economic reform programme.

Q: A U.S.$93 million loan for the Bulgarian energy sector was recently agreed in Washington D.C., after the approval of U.S.$30 million to be lent for telecommunications. Meanwhile, it was reported that negotiations on a U.S.$55 million loan for Bulgaria's private investment

and export financing (PIEF) has been completed with the Bulgarian Government. Why did the World Bank approve exactly these projects first?

A: It is obvious to everybody living in Bulgaria that the energy supply situation in Bulgaria is very fragile, as is the telephone system. It is very costly both to businesses and private people to face the possibility of electricity black-outs during the winter, and it is also very costly for business if the telephone system doesn't work adequately. When we first came to Bulgaria in 1990, we identified energy and telecommunications as two of the priorities for assistance. We have also had excellent cooperation on the Bulgarian side, on the technical level, from the institutions involved. So we've managed to push these projects forward. They are fairly straightforward projects for the bank, we've done such projects in many countries. The private investment and export finance project, the $55 million you mention, is intended to help private businessmen and exporters in Bulgaria overcome the problem of access to credit in hard currency. As you know, your country has an external debt problem, which means that the country has limited access to foreign private banks. In addition, state enterprises are in a process of restructuring, which will take some time. So what the bank thought it would be useful to try to alleviate the problem of access to the foreign capital market by providing capital through domestic banks in hard currency. And, secondly, to loan the money directly to emerging private investors should help the economy grow while the state enterprises are in decline. We regard this as a priority because it would provide jobs and growth to offset the decline in the state sector. That is why we picked those areas as priorities. We have another two loans which are effective, the structural adjustment loan and the technical assistance loan.

Q: Is the lack of proper legislation and the changes in the government the only reasons why the bank has been reluctant to proceed with much assistance in all the sectors?

A: Well, it depends. In some sectors, like telecommunications and energy, we have very few problems. In the social sectors, again, it depends. It is not always the case that legislation is required. In some cases it was more of a problem of developing a project and having a ministry to work with and having counterparts on the Bulgarian side that were constant. We don't develop these projects in isolation, we develop them with you, and if the Bulgarian side changes, it obviously causes a delay. There's nothing we can do about that, that's part of the political process. We work in many countries, and it's not unique to Bulgaria. But in other areas you are right, the legislation is very important. For example, in the area of cash benefits and employment the social insurance and social benefits system needs to be reformed. We have to feel comfortable with the direction of the reform, that is that it's moving to a sustainable system. Unless that's the case, we cannot provide our support. So in some cases, yes, we do have to wait for legislation, and in others we don't.

Q: How would you comment on the delay of a deal with the London Club creditors, which relates to the IMF report?

A: London Club negotiations are complex in any country. I am not too surprised that these negotiations are taking this period of time. It is not unusual. I just hope that the two sides can reach an agreement which is compatible with Bulgaria's capacity to service its debt in the long term. The World Bank has made it very clear that if the two sides can reach an agreement which is sustainable, we are willing to help provide part of the financing needed for the debt deal. The lack of agreement with the IMF has repercussions in terms of the country's access to other sources of finances, but I understand that the dialogue is continuing and that both sides hope they can reach agreement in the latter part of this year.

Q: Would you commit yourself to a personal evaluation of the progress of structural adjustment in this country?

A: I think it is acknowledged that the process of structural adjustment has been slower than anybody expected or anybody wants. State enterprises have adjusted to some extent to the new environment. But they had to make a massive adjustment. They have lost all of the markets in the former Comecon [CEMA] and you have the effect of the sanctions in Yugoslavia which is an additional external burden. This is not the fault of Bulgaria but it is something that the state enterprises have to adjust to. Nobody can resolve these problem for them. I would not underestimate the adjustment they have to make. But I think the process of adjustment must start with privatization which, again, has moved slower than expected, although we are beginning to see some developments on that front. Second, the process of restructuring state enterprises themselves is not occurring at a rapid enough pace and I would like to see the development of an overall plan for restructuring. And thirdly, for those state enterprises that cannot be privatized and cannot be restructured, there must be a process of liquidation.

I think, another area, where it is a mixed picture, is agriculture. The process of restitution in agriculture has been disappointing. There are too few people with final legal title to their land, which is a prerequisite for people to invest and to take control over production. On the other hand, I recently visited some places in the country and there are private farmers who are renting land from owners and who are farming and are beginning to develop an efficient private sector in agriculture. So, again, there are positive signs, but the process itself is too slow.

Q: Privatization is one of the most relevant and widely commented issues in Bulgaria. Will the World Bank

support the mass privatization project and will it provide specific assistance for drafting the appropriate legal framework?

A: On privatization we believe the following: The process of privatization that is under way under the current legislation should proceed. The Privatization Agency should be allowed to contjnue privatizing those companies which it has identified for privatization. A lot of work has been done, evaluations have been completed, prospective buyers have been sought. So, our view is that this process should continue no matter what. With respect to mass privatization scheme, or a coupon scheme, the bank has always considered this would be a useful, additional process of privatization in Bulgaria. The two systems can run in parallel. If you only do the selling of enterprises through the Privatization Agency or the ministries, it will take a long time before you transform all of the state enterprises from being owned by the state to being owned by individuals. The bank would be happy to provide any technical assistance and advice that the government requests on that issue.

Q: Since you say the two mechanisms of privatization should run in parallel, which is predominant, according to you?

A: Neither of them would dominate, they would just be different. If you do a coupon system, it would take time to get the process under way, perhaps a year. And you cannot wait one more year for privatization to happen in Bulgaria. It should have happened already and that is why I am keen to stress that under no circumstances should you delay the implementation of privatization under the current legislation.

Q: What rules do you think should be set for the banks' participation in the privatization process, taking care of bad debts at the same time?

A: Well, I think this is a very important issue, partly because the bad debt problem is delaying privatization. In our view, the problem of bad debts can be split into two parts. First, the banks' portfolios contain many loans which are non-performing, i.e. bad debts. This problem can be solved relatively quickly. Cleaning up the banks requires that the bad debts are replaced with some form of performing assets or written off. The bad loans can be replaced by government bonds, or they can be written off against the reserves of the banks, or there [end of item not received].

Klaus Interviewed on Economic Trends

LD1008203793 Prague Radiozurnal Radio Network in Czech 1643 GMT 10 Aug 93

[Regular weekly interview with Prime Minister Vaclav Klaus, by Vaclav Musilek—live or recorded]

[Excerpts] [Musilek] Prime Minister, from time to time we have been discussing during our meetings the latest indicators of our economic development. I think we could do that today, too. Despite the fact that the statistics for July did not in any way depart from this year's trend, the Finance Ministry prognosis estimates that, based on these statistics, the growth of gross domestic product and of unemployment will be lower by the end of this year and that inflation will be in the top half of the government's original estimate. Although we focused on these figures, you yourself might have focused on other figures.

[Klaus] I am not sure which figures we are discussing. The July figures are of very preliminary nature and I doubt that the Finance Ministry could have known them. The only figure for July which is known is the rate of inflation, which is 0.7 percent. This information was passed to me yesterday by the chairman of the Statistical Office. The 0.7 is a little higher than it was in the last two months when it was 0.4; I was not very pleased to hear it. I hoped that we would stick to a zero rate. But I ought to say that no other figure for July is known yet.

At present there are several suggestions based on the estimate of the Statistical Office, the banks, and the Finance Ministry. The bank is more optimistic and forecasts a 1 percent rise in GDP for the year. Despite all the negative reports in the first months of the year, I personally would regard this as an exceptionally positive result. The Statistical Office forecasts the drop at between 1 and 1.6 percent. At any rate, we are hovering around zero. Should this year's development be in line with the Finance Ministry forecast, which was roughly 1 percent, then I would like to reiterate that since the government forecast the growth between 1 and 3 percent, then despite all the criticism coming from various directions, it can be said that the government forecast was spot on. [passage omitted]

[Musilek] Prime Minister, the Wallis affair, which is slowly petering out from our political scene, had and still has a certain impact. What I would like to know is how did this affair affect the government coalition, whether it divided it or brought it closer together.

[Klaus] I have no tangible facts at my disposal which would permit me to say that the government coalition met and declared itself either a cohesive or a divided entity. But if I were to assess the situation, and if I were to assess my meetings with individual representatives of other coalition parties, then I could say that it would be a cohesive entity. I think that all the four coalition parties realized that this affair does not constitute an attack on an individual or on one of the four government coalition parties. They realized that it constitutes an attack on all of us as one entity. I think they realized that there are far more things that unite us than divide us, that there are far more identical views on the basic matters concerning the transformation of this country than the disparate views sometimes presented by the media, which can be heard at meetings with representatives of some of these parties. They, indeed, confirmed this view of mine. [passage omitted]

Klaus on Unions' Constitutional Court Decision

AU1108142293 Prague CTK in English 1514 GMT 9 Aug 93

[Text] Prague August 9 (CTK)—Czech Premier Vaclav Klaus disagrees with the unions' plan to ask the Constitutional Court to examine whether or not the government decree to regulate wages as of July 1 breached the valid legal order, but respects it fully.

Klaus was talking to journalists after his regular meeting with Vladimir Petrus, chairman of the Czech-Moravian Chamber of Trade Unions (CMKOS), which claims a four-million membership in the 10-million Czech Republic.

The government had justified wage regulation by inflationary tendencies.

Petrus told journalists today that the CMKOS Presidium would decide finally on August 17 on whether or not it would turn to the Constitutional Court.

Klaus said that the lodging of a complaint with the Constitutional Court was nothing bad. On the contrary, it is part of our democratic order, he pointed out.

Petrus said that at the August session of the Tripartite the unions would again take up the question of whether or not the "general agreement" for this year had been violated by the introduction of wage regulation and by the government's failure to submit a bill on extra old-age pension insurance by June 30 as agreed on previously.

The "general agreement" is concluded every year by the Council for Economic and Social Agreement (RHSD), also referred to as Tripartite, with the aim of preserving social peace in the period of transition from the centrally directed economy to the market system. The Tripartite consists of representatives of the government, employers and unions.

Republic Beginning To Export Semtex Again

AU1208060593 Prague MLADA FRONTA DNES in Czech 10 Aug 93 pp 1, 2

[Report by Jaroslav Kmenta: "We Will Also Export Semtex to Great Britain This Year"]

[Excerpts] Prague—The Czech Republic, after a mandatory break lasting several years, is again beginning to export the Semtex general-purpose plastic explosive.

According to reports from the Trade and Industry Ministry, the Czech Republic should export a small quantity of Semtex to Britain this year. The manufacturer of this explosive, the Pardubice-based Explosia plant, is organizing further exports. At the moment, however, its representatives are not disclosing who the possible Semtex end user is.

According to our information, the Semtex supplied to Britain should be used by that country's Ministry of Defense to determine the special features of this explosive. Semtex is often used by the Irish Republican Army in its terrorist strikes in Britain.

"We have more deals in the pipeline, but they are business interests; so, I would not like to say at the moment where we want to export Semtex," said Jaroslav Nimrichtr, deputy director of the Pardubice plant, in connection with the organized exports.

Czechoslovakia banned the sale of Semtex in 1989. [passage omitted]

Semtex intended for industrial use is distinguishable by its bright colors, such as red and orange. Plastic explosives intended for use by the Army have darker colors suitable for the field.

According to Explosia representatives, Semtex sells for around 120 korunas per kilogram. However, it is traded on the black market at a much higher price.

Foreign Trade Surplus in First Half of 1993

LD1108130393 Prague CTK in English 0857 GMT 11 Aug 93

[Text] Prague, August 11 (CTK)—In the first half of 1993, the Czech Republic exported 165.6 billion crowns (5.5 billion USD) worth of goods, registering a surplus of 901 million crowns (30 million USD), according to data released by the Czech Statistical Office (CSU).

Some 30.9 billion crowns worth of goods were imported from Slovakia. Excluding Slovakia, the Czech Republic imported 16.1 per cent more goods in the first six months of 1993 than in the same period of 1992. Exports grew 7.8 per cent.

The balance of trade (excluding Slovakia) showed a 522 million crown deficit this year, while in June 1992 statistics showed an 8.4 billion crown surplus.

Czech Republic showed a surplus in trade with countries having a state-directed trading system, with countries of the European Community (EC), developing countries, and European states with transforming economies. On the other hand, the deficit in trade with countries of the former Soviet Union reached 12.1 billion crowns. Trade with countries of the European Free Trade Association (EFTA) was also on the minus side.

Germany's share in Czech imports for the first six months of 1993 was 24.9 per cent, Slovakia's share was 18.8 per cent and the share of the former Soviet republics was 13.2 per cent. Imports from the United States increased the fastest in 1993.

No Confirmation of File on Politicians' Private Lives

AU1008122793 Prague CTK in English 1926 GMT 6 Aug 93

[Text] Prague August 6 (CTK)—Documents recently presented to the parliamentary Inspection Office do not confirm the existence of an FBIS [FIS] (the Federal Security Information Office) file containing compromising information on politicians, Tomas Svoboda, chairman of the Inspection Office, said today.

The documents were handed over by the director of the Czech successor to the FBIS, the Security Information Service (BIS), Stanislav Devaty.

When asked for his view on the statement made by Viktor Kozeny, president of the Harvard Investment Fund, that documents marked FBIS contained an order to discredit and later liquidate Kozeny, his family and friends, Svoboda said: Nothing like that is confirmed in the documents we have obtained.

He stated that the information about compromising documents was the result of a mistaken interpretation of a BIS expert report. The relevant reference in the expert report concerned personal notes made by Vaclav Wallis and certainly not a relevant BIS file, he said. The Inspection Office investigated and ascertained that a file was indeed opened on January 22, 1992 but it concerned economic crimes.

In the system of inspection operated by the BIS today the gathering of information on the private lives of politicians would be very difficult, according to Svoboda. But it is of course impossible to know what a BIS employee does after leaving work. It is very difficult to check. But while at work? I doubt it's possible, he said.

When asked if the Wallis case was closed for the Inspection Office, he answered no. The Office still wanted to confirm the information and documents they had received, he said.

Meciar Discusses Coalition Talks, Restitution

LD1108155093 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1000 GMT 11 Aug 93

[Text] This autumn the Slovak parliament should approve the bill on returning property to the church. It is being submitted by the government, and in the sphere of restitutions it goes back before the year 1948.

At today's news conference of the Movement for a Democratic Slovakia [HZDS], Prime Minister Vladimir Meciar specified that after the property is returned to the churches and Matica Slovenska, the entire process of restitutions will be halted. Milan Velecky reports in detail:

[Velecky] Although the briefing was relatively short, there was time to talk about the economy and home and foreign policies.

Vladimir Meciar confirmed yet again that the continuation of the coalition talks depends on the Slovak National Party, specifically on whether or not its representatives do away with the obstacles which are in the way of the talks. Vladimir Meciar, however, did not specify them further.

But the HZDS has a government without majority support in the parliament. Should it not, therefore, develop the initiative, my colleague asked. Vladimir Meciar replied: Apart from SLOVENSKY DENIK, nobody is worried that we have a minority government. After all, HZDS, true, has only 66 deputies in the Slovak parliament, but its bloc consists of 70 members, because four deputies from the Independent Club, according to Vladimir Meciar, support the government.

Something that is closely connected with home politics is the economy. According to HZDS Chairman Vladimir Meciar, one half of the people in our country are living better. But they do not boast about it and, therefore, one rather hears the others who are worse off.

Vladimir Meciar has not yet studied the latest figures which put the difference between incomes and expenditure in the state budget at 17 billion Slovak korunas [Sk]. He said, however, that the point at which the economy would be in jeopardy was a deficit of Sk16.8 billion.

Vladimir Meciar said that when the property of the former [Czechoslovak] Federation was divided, the Air Force and sea transport were the worst neglected components. But the HZDS chairman made it clear that this was not the fault of Roman Hofbauer, the present minister of transport, communications, and public works. However, Vladimir Meciar said he is considering initiating an investigation by the general prosecutor to see whether Vladimir Pavle, the former [federal] minister of transport and communications, violated legal regulations by signing certain documents.

Filling all the posts in the government remains a problem. Vladimir Meciar wants to complete this matter when President Michal Kovac returns from vacation. Concerning the empty post of deputy prime minister for the economy, Vladimir Meciar is not at all sorry that one of the candidates to this post, Rudolf Filkus, is ambassador to Austria. The HZDS chairman sighed in this respect that most Western countries do not want to accept as ambassadors people who had been linked with the communist party. Despite this, Vladimir Meciar said, Slovakia is being paid a lot of attention abroad.

The HZDS chairman said the proposed so-called presidential treaty with the Russian Federation is a success of our foreign policy. Only one point is controversial, Vladimir Meciar added, namely whether or not in the preamble of this treaty the two countries should condemn the invasion of Czechoslovakia by allied forces in 1968, as demanded by some deputies in the Slovak parliament.

Andrejcak Meets With Austrian Defense Minister

LD1108204093 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1630 GMT 11 Aug 93

[Excerpts] The main point of the two-day visit of Austrian Defense Minister Werner Fasslabend, who arrived today at the invitation of Slovak Republic Defense Minister Imrich Andrejcak, was the signing of a mutual agreement on military cooperation of the two armies.

After that the Austrian minister met Prime Minister Vladimir Meciar at the office of the government. Igor Skocek reports in detail on this meeting, as well as on the rest of the program of the Austrian delegation.

[Skocek] I should like to revert to the agreement signed in the morning by the ministers of the two countries which, in its way, is the first agreement of its kind between Slovakia and a neighboring state. Immediately after its signing Slovak Minister of Defense Imrich Andrejcak spoke about it.

[Begin Andrejcak recording] We are interested in concluding such agreements with all our neighbors; we are preparing them gradually, and because we do not intend at present to become members of some military formation, apart from NATO, we want to guarantee by means of such agreements the possibilities of close cooperation with all our neighbors. [end recording]

[Skocek] Prime Minister Vladimir Meciar gave an assessment of the talks after meeting the Austrian defense minister. While noting that this is the first visit of the Austrian representative to Slovakia, he said that the talks concerned, above all, the questions of understanding European security through NATO and the CSCE, as well as certain Austrian-Slovak relations. He pointed to the fact that there are realistic and good prospects for mutual coordination, cooperation, and help in building the Army. He also mentioned the question of conversion, which is important for both sides, and positively assessed the agreement signed by the two defense ministers.

The Austrian minister of defense talked about the problem of European security.

[Begin Fasslabend recording, in German with superimposed Slovak translation] Yes, we talked about developments in Europe. I offered my view that the attempts of the Slovak Republic to enter NATO are correct because it is becoming evident that NATO represents the only functioning security structure in Europe. One cannot but mention also the process of coming close to NATO and the fact that in this phase it is important to pay attention to safeguarding one's own defense. I paid attention to the [words indistinct] of the prime minister which he has devoted to the questions of defense. Every country will have the defense that it is capable of maintaining. By means of the agreement which we concluded today and which we are beginning to implement, we want to achieve intensive exchange of experiences between the armies which will no doubt be beneficial for the two countries. [end recording]

[Skokek] [passage omitted] The program of the Austrian minister of defense continues tomorrow with viewing Gabcikovo reservoir. He will then fly to Kosice where he will visit the Advanced College of the Air Force.

Bilingual Sign Law Applies to All Regions

LD1108210793 Prague CTK in English 2018 GMT 11 Aug 93

[Text] Bratislava, August 11 (CTK)—The August 3 decree requiring the removal of bilingual signs applies to all Slovak regions, not just those with a Hungarian minority, Ministry of Transportation, Communication and Public Works spokesperson Ivan Vaclavik said today.

Hungarian political groups in Slovakia have mentioned in the press for the second time that the regulation may violate human rights. The Hungarian daily "UJ SZO" said that representatives of the groups wanted to meet with the minister, Roman Hofbauer, and possibly turn to international organisations for assistance.

The ethnic Hungarian party Egyutelles protested against a similar regulation last year, when the ministry prescribed the removal of all bilingual signs not conforming to the traffic code. The possibility of multilingual signage is mentioned, as well, in recommendations by the Council of Europe to admit Slovakia as a member. They are a standard feature of most European regions inhabited by more than one nationality. About 800,000 ethnic Hungarians live in Slovakia, with a total population of around 5 million.

Foreign Minister Moravcik Visits Thailand

WA1108162393

For reportage on Foreign Minister Jozef Moravcik's visit to Thailand, including talks with Premier Chuan Likphai, see the Thailand section of the 11 August East Asia DAILY REPORT and subsequent issues.

Jeszenszky on Unwillingness for Bosnia Involvement

LD1108121393 Budapest MTI in English 1005 GMT 11 Aug 93

[Text] Budapest, August 11 (MTI)—NATO will unlikely use Hungarian air space for possible air strikes in Bosnia or ask Hungary's permission for such action, Hungarian Foreign Minister Geza Jeszenszky told Wednesday's "MAGYAR HIRLAP".

NATO would unlikely use Hungarian air space for the military action currently under discussion. This meant the mandate of AWACs patrolling Hungarian air space would not change, Jeszenszky said.

The AWACs are monitoring the implementation of the UN Security Council resolution for a no-fly zone in Bosnia.

Jeszenszky said the Hungarian Government was pressing for the soonest possible political solution to the Yugoslav crisis. And, should Hungarian diplomacy be given the slightest chance of contributing to the success of peace negotiations, it would not hesitate to help.

On NATO's military involvement, the foreign minister pointed out, "should military action take place, it will be directed from the Naples headquarters of NATO, with the involvement of NATO bases in Italy. Since there is no NATO base in Hungary, the chance of Hungary being affected by the military action can be excluded."

In reply to a question, the minister said, "Hungary is unwilling to get involved in anything, so I do not think it is in a more dangerous situation than earlier."

Young Democrats Present Environmental Policy

AU1108051093 Budapest NEPSZABADSAG in Hungarian 10 Aug 93 p 11

[Interview with environmental activist Zoltan Illes, leader of the environment and nature protection office of the Federation of Young Democrats [FISESZ], by Peter Uj; place and date not given: "It Is Not Enough To Protect the Environment in Words—Zoltan Illes on FIDESZ's Greenness, Paks, and the Possible Cancellation of the World Expo"]

[Excerpts] [passage omitted] [Uj] How does environmental protection fit into the economic ideas of the liberals, which advocate free market capitalism? It is difficult to imagine some kind of free-market environmental protection.

[Illes] The Federation of Young Democrats [FIDESZ] does not advocate free-market capitalism. There is no such thing in the world. Other kinds of factors always exist in the so-called free markets, too. The essence of the liberal ecology policy is that it makes those who pollute the environment pay for the damage and for the exhausted resources. This is real market competition. Today's market gives preference to products that pollute the environment. Society, rather than those who create it, is made to pay for the cost of producing waste, and air and noise pollution. An example: The Ministry of International Economic Relations gave a grant in the region of 100 million forints to a joint venture that produces plastic bottles. In this process, many by-products are also created that pollute the environment, but the major problem is that these bottles cannot be reused. They represent a lot of our garbage, we do not have selective garbage collection, and when the material is burnt, carcinogenic dioxin and hydrochloric acid gas is produced. The population is made to pay all the costs. [passage omitted]

[Uj] Will it be in the interest of the next government to have a strong environmental ministry that may, in a given situation, hurt the interests of the economic ministries and groups?

[Illes] Environmental and nature protection can also be a strategic branch of the economy. For example, in Germany, amid the severest recession, the environmental background industry is a compelling force. It only hurts the interests of those who want to have unlawful advantages in the market by making others pay for their pollution. FIDESZ, and hopefully the next government, does not and must not support such groups. I am also convinced that it will not again be possible to put a puppet into the ministerial chair for environmental protection. Sandor K. Keresztes was just such a puppet; he is a very nice person, but he knew nothing about what he was doing and, in addition to this, it was his duty not to do anything. Janos Gyurko, his successor, is much more familiar with the professional jargon, but he does not really have any room for maneuver and he can only offer verbal environmental protection. In my view, this kind of politics has no future. It is obvious that the environmental ministry will never be a top ministry, but then it does not need to be one. However, economic factors will also force future governments to change the environmental policy. For example, the EC will simply not buy Hungarian products that are produced with polluting technology. A system of certification will soon be introduced, which means that the producers will have to certify how the products were made. [passage omitted]

[Uj] Your views also differ from that of the Hungarian Democratic Forum [MDF] government on the energy issue.

[Illes] We need the nuclear power station in Paks, and we do not have any problems with this. However, we do not need to build new units and do not need a new nuclear power station, either. We have to achieve a reduced energy requirement in the economy. If economic growth starts—and we hope that it will—it will not be possible to maintain an outdated industrial structure. For this reason, it is not necessary to develop energy production significantly. Energy that is not produced is the cheapest and the most environmentally friendly. When electricity is abundant and cheap, then everyone uses lots of it and

the outdated structure becomes preserved. It is vitally important that a modernization that makes more sensible use of resources is started. In this, enviroNmental protection is a strategically important factor. [passage omitted]

[Uj] How would you change the environmental ministry, which in your view is incapable of functioning?

[Illes] The structure has to be simplified. A schizophrenic ministry, where two areas with antagonistic interests are in the same place—construction and area development on one side and environment and nature protection on the other—is completely unacceptable. We would like a more powerful ministry with a single profile, which is open and public and which constantly communicates with the public through the media. It is important to reach the green movements and to rely on them. More money could be allocated from the budget for this area—at the moment, this is the poorest ministry but, in my view, we have some possibilities and we can make some savings through simplifying the structure. [passage omitted]

Current Account Deficit Close to $1 Billion

AU1108142393 Budapest MTI in English 0625 GMT 10 Aug 93

[Text] Budapest, 10 Aug (MTI)—Hungary's current account deficit is expected to total $1.5 billion at the end of 1993, National Bank of Hungary (NBH) Vice President Frigyes Harshegyi said on Monday [9 August], adding that if there were signs of a bigger shortage, the NBH would have to take the necessary steps, including raising interest rates.

At the end of April, the current account showed a deficit of $ 1.084 billion. A $1.5 billion current account deficit for 1993 would be acceptable, Harshegyi said, since direct foreign cash investment will probably reach the same amount this year.

At the end of April, Hungary's net external debt stood at $14.3 billion, as compared to $13.2 billion on December 31, 1992, and a peak of $16.5 billion at the end of 1990.

Despite the growing current account deficit, foreign exchange reserves of the country remain at $5 billion, the equivalent of 6-7 months of imports.

Dispute as Russian Communications Unit Departs

AU1008130893 Warsaw POLSKA ZBROJNA in Polish 9 Aug 93 pp 1, 2

[Report by Roman Przeciszewski: "A Difficult Farewell"]

[Text] Everything seemed settled. The newspapers and radio reported that the Russian communications unit stationed in Rembertowo would depart at 1100 as planned. We arrived at Rembertowo at about 1000, in time for a dress rehearsal of the official farewell parade. Soon afterwards, Yuriy Kashlev, the Russian ambassador, arrived in a cream-colored Mercedes and General Leonid Kovalev, the Russian Government plenipotentiary responsible for the pullout of Russian forces from Poland, arrived in a black Volga.

At 1030, half an hour before departure time, the official ceremony to bid farewell to the last remaining soldiers of the Russian Special Communications Brigade commenced.

"We did not start the farewell ceremony ahead of time," General Kovalev told us later. "We planned it for 1030. It is not my fault that journalists were given conflicting information. All I want to say is that we had no intention of hiding from anyone."

Jerzy Keska, stationmaster at Rembertowo railroad station, said that with the Russians gone, he would be able to sleep well once again. The Russians were ready to leave days ago, but, as we know, their departure was stopped on orders from General Kovalev, which caused the railroad employees to take on additional burdens.

"Nevertheless, the Russians were pleasant and polite all the time," the stationmaster told me. "I asked a Russian colonel whether he was leaving any Polish friends behind. He said no but he would like to come to Poland again. I gave him my calling card so he can come and visit me if he likes. He gave me his address too. He is from St. Petersburg."

Colonel X had tears in his eyes. He had grown to like Poland and the Poles. He said that politics is made by people at the top but all he is concerned with is relations between people. He did not wish to say where he was from. "The European part of Russia" was all he would say. Apparently, there is already barrack accommodations for the soldiers at their new destination but apartments still have to be built for the officers and their families. "They told us the apartments would be ready within two years, but who believes them nowadays?" said the colonel, who refused to say more.

At last, the farewell ceremony begins. The Polish side is represented by journalists. No one else from the Polish side has arrived.

Colonel Andrey Zhikharev, commander of the Russian unit, delivers a short speech. "These last few minutes in Rembertowo are very difficult for us but things will be no less difficult at our new garrison," he says. Ambassador Kashlev hopes that the unit may continue its traditions at its new location and that it will continue to set an example to others. "Have pleasant memories of Poland," he tells the soldiers. General Kovalev regrets that he had to postpone the unit's departure but there were matters to be settled first that were of great importance for the transit of the Russian forces from Germany. "It is a pity that there are no Polish officials here to see the soldiers off," he says ruefully.

Colonel Mikhail Kiriyev, press spokesman for the Russian Government plenipotentiary for the pullout of Russian forces from Poland, says that 100,000 soldiers and officers are leaving for Russia today. Lieutenant-Colonel Wieslaw Lutczyk from Polish communications headquarters says that the Army will "watch over" the transport once it has left Rembertowo. "We will monitor the train as far as the border at Brest, beyond which we have no idea where it is going," he says.

At last, the soldiers board the train, which consists of two second-class passenger cars, 10 closed freight wagons, and 15 open freight wagons carrying road vehicles and communications equipment. An improvised press conference is held on the railroad sidings, the main subject of which is not the departure from Rembertowo but the question of the Russian mission that is meant to supervise the transit of Russian forces from Germany.

"We refuse to have the mission located in the Russian Embassy. There are four or five rooms at Polish Railroad Headquarters where this mission could be housed," says the Russian ambassador. Asked why the mission cannot be located in the embassy, he replies that the conditions there are not right. "First of all, the embassy has only three telephones and the mission must have guaranteed contact with all railroad stations in Germany, Poland, and Russia. Second, the embassy has 20 diplomatic staff so how can one heap 30 Army officers on top of them? That would turn the whole embassy into a military mission. And third, contrary to claims, no space inside the embassy has been let to commercial businesses. That is Polish propaganda. In any case, is our Warsaw embassy so big? The Polish Embassy in Moscow is much bigger. Finally, Poland is earning 60 million Swiss francs per year from the transit of Russian forces from Germany."

Colonel Miroshnichenko, head of the Russian military mission, interrupts at this point: "We have been in operation for three years. Why should we suddenly have to move to new premises?"

General Kovalev dots the "i's". "Unless we receive new premises to house the military mission, we will simply not hand over the facilities here at Rembertowo. Soldiers, brought over specially from Legnica, will guard them."

The departure time of the last transport from Rembertowo, 1100, draws near. At this very moment, Brigade General Zdzislaw Ostrowski, Polish Government plenipotentiary for the withdrawal of the Russian Northern Group of Forces, arrives.

The situation becomes awkward. The train is supposed to leave at any minute and yet the two generals are still surrounded by journalists. General Ostrowski says: "I wish to make it clear that there is no dispute whatsoever between the Polish and Russian sides. A technical-organizational incident has occurred, which will be resolved once the Russian side has fulfilled the conditions set by Prime Minister Suchocka in her news conference on 5 August and not the conditions stated by the Russian Government plenipotentiary. If the Embassy agrees to settle accounts for the Russian facilities at Rembertowo, then we, for our part, will consider where to locate the Russian military mission. I can only share the prime minister's opinion."

General Ostrowski also said there are various ways of solving the present problem. "The Russian Embassy should rent office space from the Poles to house the mission or otherwise arrange this office space itself. In that case, the Polish Railroad Headquarters could accommodate the mission's duty officers, who would have access to all the telephones. In any case, the Russian side cannot dictate terms and say that unless it receives space at the railroad headquarters it will continue to occupy space at Rembertowo. Either we receive the entire facility or none of it."

Asked how General Kovalev had reacted to the Polish Government note following the Russian postponement of the departure of its communications unit, the Russian plenipotentiary replied: "General Kovalev's response was vague. He said that the postponement of the departure from Rembertowo was not a reaction to the deadlock in talks on the subject of the military mission. The fax that he sent me, however, stated other things."

Although the train with the Russian soldiers has finally left, the talks at the station continue. Each side is employing different arguments. "I do not know what news General Ostrowski brought and I do not know what decision, if any, has been reached concerning accommodation for the military mission," admits General Kovalev.

The conversation between the two generals at the station is brief. It will continue behind the gates of the Rembertowo facility, which has just been vacated by the Russian communications unit and is now being guarded by 25 Russian soldiers from the Legnica garrison. We journalists are barred from entering. Not until 25 minutes later do we learn that no protocol concerning handing over the Rembertowo premises to Poland has been signed and that the Polish side does not agree to the Russian military mission using any of the buildings there. "This facility is to be taken over by a Polish Interior Ministry unit and it is out of the question that a Polish unit could share it with soldiers of a foreign army," reads an explanation that was given to journalists.

Kremlin Spokesman Said To Confirm Yeltsin Visit

LD1108143193 Warsaw Radio Warszawa Network in Polish 1005 GMT 11 Aug 93

[Text] [Announcer] Russian President Boris Yeltsin will arrive in Poland at the end of August.

[Correspondent Andrzej Siezieniewski, from Moscow] Today, this report was confirmed by Anatoliy Krasikov, Kremlin press spokesman, when asked by Polish journalists. He said, I quote: This date is highly probable. Representatives from both sides, Krasikov added, are talking to agree on a specific date and a detailed agenda for the Russian president's stay right now. Our ambassador, Stanislaw Ciosek, will visit the Ministry of Foreign Affairs in Moscow to discuss this among other things this afternoon. It is worth pointing out that Boris Yeltsin's visit to Poland has been announced and postponed, without explanation, several times. The last date mentioned during Deputy Prime Minister Goryszewski's visit to Moscow was September.

And another fact worth noting: According to unofficial sources one can expect a visit to Moscow by Prime Minister Hanna Suchocka in the near future. The matter of a gas pipeline leading from Siberia to Germany via Poland and with Polish participation in the venture is to be finalized during her visit. Most probably other economic issues, which have not been resolved so far and which hinder the development of Polish-Russian relations, will also be raised. In the context of Boris Yeltsin's imminent visit, this may mean an opening for a new stage of relations between our two states.

U.S. Company Buys GAZETA WYBORCZA Publishers

LD1108190893 Warsaw PAP in English 1813 GMT 11 Aug 93

[Text] Warsaw, Aug. 11— The Agora-Gazeta Company, the publisher of the mass circulation GAZETA WYBORCZA daily, on Wednesday sold 12.5 percent of its shares to the American mass media giant Cox.

The remainder of shares still belong to 24 employees and founders of the daily who have safeguarded a full independence of the editorial office and current management of the company.

The money acquired from Cox will go for investments - the modernization of computer systems and the construction of a printing house. The latter investment is to be also financed from credits drawn in the European Bank for Reconstruction and Development and the Austrian Raiffeisen Zentralbank.

Government Appoints Commissioner To Take Over Praszka

LD1108111393 Warsaw PAP in English 1013 GMT 11 Aug 93

[Text] Czestochowa, Aug. 11—The government has appointed a special commissioner to take over the administration of the crisis-hit town of Praszka (Czestochowa Province), Janusz Mielczarek, press spokesman for the provincial governor, announced on Wednesday.

Zygmunt Chmielarski, age 55 and an agricultural engineer by training, takes over the administration of Praszka following the suspension by the prime minister on August 9 of the existing town and commune administrations.

The town has been in a state of crisis for some time, following serious incidents during demonstrations last week by supporters of the radical populist "Samoobrona" (Self-Defence) trade union, who tried to force the resignation of the town mayor and threatened to occupy the town hall.

Protestors Blockade Town Hall

LD1108204693 Warsaw PAP in English 1949 GMT 11 Aug 93

[Text] Czestochowa, Aug. 11—Several dozen protesters blockaded for an hour and a half on Wednesday the town hall in the central Polish town of Praszka, Czestochowa province, after a government-appointed commissioner arrived in the crisis-hit town to take over control of the local administration.

The demonstrators, mostly unemployed, or supporters of the radical "Samoobrona" (Self-Defence) farmers union, entered the building and chained its main doors, while several hundred Praszka residents supported their action outside the town hall. The occupation ended after police intervention.

Zygmunt Chmielarski, aged 55 and an agricultural engineer by training, took over the administration of Praszka following the suspension by the prime minister on August 9 of the existing town and commune administrations.

The town has been in a state of crisis for some time, following serious incidents during demonstrations on August 3 and 4 by supporters of the "Samoobrona" (Self-Defence) trade union, who tried to force the resignation of the town mayor and threatened to occupy the town hall. During the disturbances the mayor of the town was forced into a wheelbarrow and pushed through the streets of the town.

An investigation into the case is underway. Spokesman for the Czestochowa Provincial Prosecutor's Office Romuald Basinski announced Wednesday that another demonstrator had been accused of offences in relation to last week's disturbances in Praszka.

Basinski said that the possibility of further charges being made in the next few days could not be ruled out.

Parties Register Candidates for Sejm Elections

LD1108183093 Warsaw Radio Warszawa Network in Polish 1700 GMT 11 Aug 93

[Text] According to data made public by the National Electoral Office, by 1600 this afternoon, 836 district electoral lists will have been registered containing the names of 8,610 candidates for Sejm seats. Lists in all 52 electoral districts have been registered by the Non-Party Bloc in Support of Reforms, the Liberal Democratic Congress, the Confederation for an Independent Poland, the Polish Peasant Party, the Alliance of the Democratic Left, the Democratic Union, the Union of Labor, and also the Union for Real Politics. Fifty-one lists have been registered for the Ojczyzna Catholic Electoral Committee, Solidarity, Party X, and also the Peasant Alliance. The Coalition for the Republic has registered lists in 48 electoral districts; the Center Alliance in 45.

The checking of the lists and the verification of signatures under the lists of candidates will last a few days and the final number of registered district lists and candidates contained thereon will be known by Monday, at the earliest.

More on Registration of Candidates

AU1208111693 Warsaw PAP in English 1852 GMT 11 Aug 93

[Text] Warsaw, Aug. 11—A total of 8,524 candidates for Sejm seats, on 829 constituency lists, have been confirmed by this afternoon, the National Electoral Office has announced. There are 34 electoral committees in the running. This is not the final count, as in some areas the registration process will last until Friday.

The deadline for nominations expired at midnight on August 10-11.

There are more candidates but fewer parties and organisations involved in these elections compared to the 1991 elections. In 1991 there were 111 electoral committees and 6,980 candidates. This year the elections will be fought over by 15 political parties, 10 social and political organisations, 3 coalitions and 6 electoral committees.

Thirteen electoral committees have registered in only one constituency and 14 in all or almost all of them. There are 7 organisations representing national minorities standing in the elections, one representing Belarusians, the remainder people of German origin.

The leaders of the Coalition for the Republic of Poland (KDR) called the registration of their 600 candidates in every constituency barring Czestochowa. The KDR decided on collecting signatures for its candidates even though it did not have to.

The Non-Party Reform Bloc (BBWR) has told President Walesa that it has registered its candidates in all 52 constituencies.

Trade union leader Ewa Spychalska, who is the deputy chairperson of the Democratic Left Alliance National Electoral Committee (KKW SLD) said in Rzeszow that she feared the new parliament would be "transitional" since many figures of authority had lost public confidence and many parties were extremely immature.

The Confederation for an Independent Poland (KPN) sees a real possibility of entering into an alliance with the Polish Peasant Party (PSL) after the elections, according to party leader Leszek Moczulski speaking in Rzeszow. He excluded the possibility of an alliance with the SLD.

The Catholic Electoral Committee "Fatherland" wants the "Self-Defence" farmers union to be banned. "The state cannot tolerate the illegal activities of an organisation which uses violence in the name of particular interests," the "Fatherland" statement says.

The Real Politics Union (UPR) has registered its candidates in 32 constituencies and has collected 250,000 signatures. The Christian Democrats have withdrawn from the Polish Unity (ZP) coalition.

There have been a few provinces where registration has been rejected due to irregularities found in the lists of signatures supporting the organisations concerned. For instance in Poznan the electoral commission is trying to begin legal proceedings against "the regency council initiating the Polish Monarchist Movement".

Torun was supposed to be the only place where there were not going to be any Solidarity candidates, but a union representative from the Solidarity National Electoral Committee registered 3 candidates. Torun is also the place where the secretive Polish Party for National Renewal (PPOK) led by former parliamentary deputy Antoni Czajka has registered a list.

The electoral commission at Lublin has refused to allow the Peasant Agreement (PL) to extend its list by a few names. The PL is appealing against the decision.

Fringe Party Quits Election Coalition

AU1208112293 Warsaw PAP in English 1426 GMT 11 Aug 93

[Text] Warsaw, Aug. 11—The Christian Democracy has left the "Zjednoczenie Polskie" ("Polish Unity") election committee due to the "devastating actions of the policy of faits accomplis pursued by the Centre Alliance (PC) within the framework of the election committee."

In a statement released today, the executive committee of this fringe party from the Krakow region said that "the arbitrary decisions in relation to the coalition members confirm the inconsistence of words and actions of the Centre Alliance authorities."

After the move, the "Polish Unity" election committee now comprises the Movement of the Third Republic of Poland, the Christian-Democratic Labour Party, the clubs of the Service to Independence, and the activists of the Regional Alliance of the Movement for the Republic of Poland.

According to unofficial sources, the party left the committee after the PC had refused to name head of the party Andrzej Stypul the top candidate on the list in Krakow constituency.

Railroad Engine Drivers Strike Continues

Trade Union Letter to Company

AU1108124593 Bucharest Radio Romania Network in Romanian 1000 GMT 11 Aug 93

[Text] The Federation of Free and Independent Trade Unions of the Railroad Engine Drivers of Romania has addressed an open letter to Aurel Dumitrescu, the chairman of the Romanian National Railroad Company [SNCFR].

The letter reads: Related to your statement made [on 10 August] on national radio, we ask you to seek a way out of the current deadlock, thus ending the strike, because all the solutions proposed by us to defuse the situation have failed, and we do not wish to aggravate the financial situation of SNCFR or that of national economy.

We express our hope that the current crisis situation will be solved soon and we expect you and other decision-taking bodies to come forward with concrete offers. We sincerely wish that the labor conflict can be concluded and that our relations with SNCFR will improve soon. However, the demands of the personnel working with railroad engines, especially those of the engine drivers, should be taken into consideration. In their names we pledge to make efforts in the future so that train traffic returns to normal and that losses, which we did not cause alone, are recovered.

We hope that this time correct solutions will be found to meet our requests and to end the labor conflict, after which we can bring our contribution to the economic recovery of SNCFR.

The letter is signed by the leader of the Federation of the Free and Independent Trade Unions of the Railroad Engine Drivers of Romania, Ion Vlad.

Confusion in Moldavia

AU1108140093 Bucharest ROMPRES in English 1253 GMT 11 Aug 93

[Text] Iasi, ROMPRES, 11/8/1993—The strike of the train mechanics started Wednesday morning, 11 August, paralyzed the entire flow of passenger and freight trains of the Iasi districtual branch which serves the counties in the north of Moldavia [in Romania]. By 9 this morning four passenger trains had been blocked on their switch lines. Over 6,000 passengers had to give up their travelling plans, although many of them were holders of season tickets.

The leader of the Engine Drivers' Union, Ion Moisuc, said the strikers claimed pay rises for the traction branch of the Railway Services and that engine drivers and co-drivers were determined to ignore legal provisions stipulating that a third of the sector's activities should be kept going. They decided this with the intention of forcing the board of administration to satisfy their demands as fast as possible and end the conflict. The same leader said trains transporting children, military, fuel for power stations, livestock or designed for technical assistance will make exception from standstill.

Travelers in Iasi station were panicked and confused at the prospect of not being able to attend to their affairs or reach summer resorts where they paid dearly to book seats.

An interview with Secretary of State Teodor Groza, head of the Transport Ministry's Department of Rail Services, televised the evening before, announced that "the government does not command the necessary financial reserves to meet the strikers wage claims." By this he meant the engine drivers' demand of being granted a wage grade above the other classes of employees in the railroad system.

In his statement, Teodor Groza said that "with a transport volume at less than half the 1989 level and prices for cargo forwarding 97 times higher, which cause great economic difficulties," "a new strike would bring unredeemable damage to the economy." He warned the union leaders about the responsibility they assume for calling the strike, which was ruled as illegal by the Bucharest Court's final sentence, and that, according to the law, the loss is to be recuperated from those who caused it.

Appeal by Railway Company

AU1108163593 Bucharest ROMPRES in English 1506 GMT 11 Aug 93

[Text] Bucharest, ROMPRES, 11/8/1993—An appeal released in Bucharest on August 11 by the Board of Administration of the Romanian Railway Company reads:

As the strike started today, August 11, 1993 at seven o'clock by the Federation of Engine Drivers' Free and Independent Unions is illegal, which is confirmed also by the final ruling of the Bucharest City Court of July 8, 1993, the Board of Administration of the Railway Company is ready to discuss and analyze the possibilities of defusing the current situation only if the representatives of the Federation of Engine Drivers' Free and Independent Unions return to legality by actually calling off the strike.

From the moment the strike stops and normal railway activity resumes, the Board of Administration is ready, at its Bucharest headquarters, to start talks with the commissioned representatives of the federation.

Vacaroiu, Ministers Discuss Strike

AU1108164693 Bucharest Radio Romania Network in Romanian 1300 GMT 11 Aug 93

[Text] The conclusion of the Jiu Valley labor conflict and the railroad engine drivers strike were the subject of discussions in the Government Executive Bureau meeting this morning.

In a statement made after the meeting, Prime Minister Nicolae Vacaroiu, assessing the miners' resumption of work as positive, reiterated the government's position on the agreed wage scales and the very specific purpose of subsidies amounting to 91 billion lei from the budget, specifying that only 40 percent were to be used for wages, while the remainder would be used for maintenance, social insurance, and so forth.

Mr. Vacaroiu said about the railroad engine drivers strike that it was, quote, completely illegal because procedures were not observed, unquote; the prime minister specified that among other things, the consequences of the strike are particularly serious both on the entire internal economy, because this strike may trigger a new economic crisis, and on the perception abroad of Romania's stability and credibility at this very important time—namely its admittance as a full member to the Council of Europe and the granting of most favored nation status by the U.S. Congress.

The general strike called by the Trade Union Federation of Railroad Engine Drivers of the SNFCR [Romanian National Railroad Company], which started today at 0700 [0400 GMT], began by violating legal provisions and with completely unjustified claims, said Minister Dan Mircea Popescu, minister of labor and social protection.

According to an exclusive statement for our radio station by Finance Minister Florin Georgescu, the claims for wage hikes formulated by the SNCFR railroad engine drivers would lead—if accepted—to a rise in inflation, and other trade union claims within the SNCFR and outside it, and consequently to economic destabilization. The only sources for increasing wages would be an increase in tariffs or the state budget, something that is not tolerable, the minister of finance specified during his statement.

Engine Drivers Issue Communique

AU1108164793 Bucharest Radio Romania Network in Romanian 1300 GMT 11 Aug 93

[Text] The Federation of Free and Independent Trade Unions of Railroad Engine Drivers have faxed us the following communique:

We want to express our indignation at the government statement made by Prime Minister Nicolae Vacaroiu and believe that the executive power is attempting to turn this purely trade unionist action of a professional nature into political action.

We do not understand the reason behind it, nor do we want to get involved in any kind of political game, not even that of the ruling party, and we will not respond to such provocations even if such attempts continue to be made.

The game played by the government, which is trying to provoke an inter-trade union struggle with the obvious aim of causing disunity and the formation of a purely socio-professional organization, has become dangerous, and we therefore believe that full responsibility now rests with the executive branch.

We want to remind both the government and the public that the verbal note of conciliation signed in Brasov in June 1993, which was designed to halt the labor conflict, has been acknowledged and signed by government representatives; to date, however, this document has not been incorporated into the collective labor contract for 1993-1994 submitted to and registered at the Ministry of Labor and Social Protection.

We are also surprised by the fact that the executive branch and other decisionmakers in Romania have been showing so much indifference toward SNCFR [Romanian National Railroad Company] problems in recent years; thus the current conflict has reached a stage that risks getting out of the organizers' control, because of threats against the strikers and tendentious interpretations of locomotive drivers and assistant drivers' actions in Romania. The communique is signed by the federation leader, Mr. Vlad Ioan.

Minister Popescu Comments

AU1108184493 Bucharest ROMPRES in English 1653 GMT 11 Aug 93

[Text] Bucharest, ROMPRES 11/8/1993—Dan Mircea Popescu, minister of labour and social protection, minister of state, told mass media: "I want to tell public opinion in the country that this strike is triggered in violation of legal provisions and for quite groundless claims."

"At present, the Railway Company is in the process of collecting all evidences for suing in court of law the Federation of Engine Drivers' Unions of the Railways in order to force it to make up for the damage caused by the two illegal strikes. Based on evidences held by the company so far, it is estimated that the damage stands at some eight billion lei incurred by the railway company and other economic agents, that would have to be retrieved from the union leaders of the federation who started and continued the two strikes."

Minister Dan Mircea Popescu concluded his statement as follows:

"The coal miners' strike, the engine drivers' strike, the announced road maintenance workers' strike, other threats about an autumn full of major social tensions make us believe that all these actions are not accidental.

"The more so as they were or are conducted outside the legal framework extant in Romania. It is no longer about trade union fight, but about a real union terrorism in Romania these days.

"I am hereby inviting the true union leaders of Romania, the leaders of the big trade union confederations to say their opinion on these events, firmly convinced as I am that the values of democracy, of the state of law, of social

partnership will be defended, that the responsibility for Romania's present and future is common.

"As far as the government is concerned, it is resolved to firmly defend the law in its spirit and letter.

"These claim movements come at a hard time for the country. They cause tremendous damage every day, adding to the difficulties of the period we are traversing, questioning the country's stability in a zone that traverses a crisis itself, questioning Romania's international status at a time when important decisions are to be taken in this respect.

"That is why public opinion in our country, the parties and political forces, the mass media, the politicians are invited to no longer look the other way, which may be characteristic of the holidays period—in order to protect democracy and the state of law."

Trade Union Issues Communique

AU1108190293 Bucharest Radio Romania Network in Romanian 1700 GMT 11 Aug 93

[Text] The Federation of Trade Union Leagues of Engine Drivers and Assistant Engine Drivers within the National Railroad Company faxed us the following communique:

Engine drivers are informed that negotiations will start in the shortest time possible, in order to seek solutions to the specific problems raised to date by engine drivers. Taking into consideration the future as well as the immediate interests of the engine personnel, the Steering Council of the federation calls on all engine drivers and assistant engine drivers to reconsider their decision to participate in the strike and resume work. The communique is signed by Mr. Dumitru Rimescu, the leader of the Federation of the Trade Union Leagues of Engine Drivers and of Assistant Engine Drivers Within the National Railroad Company.

Trade Union Leader Statement

AU1108204393 Bucharest Radio Romania Network in Romanian 1900 GMT 11 Aug 93

[Text] In an interview granted exclusively to our radio station, the leader of the Federation of Free and Independent Trade Unions of Railroad Engine Drivers of Romania, Mr. Ioan Vlad, said that what actually was making this transportation branch and especially the engine drivers dissatisfied is that point two in the official conciliation report concluded in June with the help of the government is not included in the collective labor contract for 1993-1994.

Mr. Vlad expressed his dissatisfaction with the way some people in the leadership of the SNCFR [Romanian National Railroad Company] and government (?are treating) the SNCFR transportation personnel, something that resulted in the cessation of work, although a third of transportation will be ensured.

Mr. Vlad appealed for a solution and an end to the labor conflict.

Railroad Company Rebuffs Statement

AU1208104393 Bucharest Radio Romania Network in Romanian 0400 GMT 12 Jun 93

[Text] Last night the administrative council of the Romanian National Railroad Company [SNCFR] faxed us a communique reacting to the interview granted to our radio station by Ion Vlad, the leader of the Federation of Free and Independent Trade Unions of Railroad Engine Drivers of Romania. The communique points out that the stipulations of the collective labor contract mentioned by the union leader have been fully observed by the SNCFR administration council.

Furthermore, the communique reiterates the appeal that the unions should reexamine the created serious situation in a responsible way and take measures to reestablish legality by concluding the strike and resuming work in railroad transportation. If that is done, the communique says, the SNCFR administration council is ready to immediately begin negotiations in Bucharest with union representatives in order to settle the labor conflict.

We remind our listeners that the SNCFR has forwarded a petition to the Supreme Court of Justice requesting that the court should suspend the current general strike. The case is to be tried by the court beginning 0900 [0600 GMT] tomorrow, according to the emergency procedure stipulated by the bill on the settlement of labor conflicts.

Ministry Statement on NATO Bosnia Policy

AU1108181593 Bucharest ROMPRES in English 1614 GMT 11 Aug 93

[Text] Bucharest, ROMPRES, 11/8/1993—Recent NATO measures regarding the bombing of the Serbian positions near Sarajevo do not account for "torpedoing by Americans" of the negotiations among the parties involved in the Bosnia conflict, told the press the Romanian Foreign Ministry spokesman. "It can be noted that at a peak moment of the negotiations pressures have appeared which, however, can by no means be labelled as 'torpedoing of negotiations,' but rather the other way round." Spokesman Geoana considered that the NATO decisions ought to be analyzed from a threefold perspective, the first one being that of the stage of Geneva talks. The second is connected with the real situation in the field, and the third one is the pressure the international community, NATO, try to put on the conflicting parties. The Romanian diplomacy considers these elements have to be given an overall analysis.

Considering Bulgaria's refusal to give NATO military support and in the idea of a possible involvement of Romania in sustaining NATO actions in Romania's territory, spokesman Geoana said: "Our stand is of not getting involved in any way in military operations. We have not been contacted or invited in this respect and, if we will be, then we will take the same stand as Bulgaria's."

Spiroiu, Bulgaria's Petrov Discuss Modernization

AU1108155693 Bucharest Radio Romania Network in Romanian 1300 GMT 11 Aug 93

[Text] Lieutenant Colonel Ion Moise of the Army Press Bureau informed us that today Lieutenant General Niculae Spiroiu, minister of national defense, received the military delegation led by Army General Lyuben Petrov, chief of the Bulgarian Army General Staff. The delegation is visiting our country at the invitation of Lieutenant General Dumitru Cioflina, state secretary and chief of General Staff of the Romanian Army.

The two sides had a useful exchange of experience regarding the renewal and modernization of the two Armies during the transition period and recognized the positive cooperation trend between the Romanian Army and the Bulgarian Army. It is in the interest of the two peoples and of stability and peace in the Balkan area, Europe, and throughout the world.

At the end of the discussions, the two sides signed a protocol on the results of the military delegation's visit.

National Trade Union Confederation Congress Opens

AU1108200193 Bucharest ROMPRES in English 1715 GMT 11 Aug 93

[Text] Bucharest, ROMPRES, 11/8/1993—An extraordinary congress of the Confederation of the National Trade Union Bloc started in Constanta, attended by 155 delegates representing the confederation's strength of 235,000.

The delegates of the 24 federations making up the confederation will analyze their activity for three days, will establish a new organizational structure and a medium-term strategy based on a socio-economic contract with the executive, in order to take Romania out of the crisis, says Matei Bratianu, the bloc's leader, in opening the congress.

Foreign Media Bulletin: Balkan Crisis 12 August

WA1208164893

The following is an overview of current FBIS reporting on events in the Balkans. It supplements other FBIS reporting and consists primarily of selected summaries of longer reports. For reference purposes, serial numbers of the longer reports are provided.

SUMMARY

Bosnian President Izetbegovic, international mediators set deadline for Serbian withdrawal from strategic peaks overlooking Sarajevo ... Bosnian Serb forces claim withdrawal "completed" ... Serbian opposition leaders criticize NATO air-strike threat.

DIPLOMATIC

IZETBEGOVIC SETS DEADLINE (Sarajevo Radio, AFP): Bosnian President Izetbegovic announces that if Bosnian Serb forces do not withdraw from Mounts Igman and Bjelasnica, strategic hills around Sarajevo, by 13 August, he will walk out of the Geneva peace talks. According to AFP, international mediators Owen and Stoltenberg demanded that the Serbs meet Izetbegovic's deadline. (AU1108181993, AU1108155893)

MILITARY

SERBS SAY WITHDRAWAL COMPLETED (TANJUG, AFP): Bosnian Serb forces say "all units" have withdrawn from recently-captured Mount Igman and that UN troops have taken over Serb-held positions on Mount Bjelasnica and eight of 12 points proposed by the Serbs on Igman. UNPROFOR spokesman says Serbs have completed "the first stage" of their withdrawal but added that "several thousand" Serbian troops were still on Igman. (LD1208124493, AU1208122293)

POLITICAL

SERBIAN OPPOSITION LEADERS ON NATO THREAT (TANJUG): While Democratic Party of Serbia leader Kostunica called NATO's threat to use air strikes against Bosnian Serbs "the chief obstacle to peace," Serbian National Renewal President Jovic called on Serbs to mobilize in preparation for an "enemy attack" from NATO planes and for a counterattack on UN peacekeeping forces. (LD1208003093, LD1108152293)

Serb Army Units Return to Mt. Igman Positions

LD1208124493 Belgrade TANJUG Domestic Service in Serbo-Croatian 1138 GMT 12 Aug 93

[Text] Bratunac, 12 Aug (TANJUG)—At 0600 [0400 GMT] today, all units of the army of the republic of Srpska in Bosnia-Herzegovina, moved from their positions on Mount Igman to the positions they held on 30 July, TANJUG's correspondent was told at the main VRS headquarters today.

The same source said that UNPROFOR [UN Protection Forces] troops have so far been deployed at eight of the total of 12 points proposed by the Serb side on mounts Igman and Bjelasnica.

Such a takeover of the mountains, it was explained at the VRS main headquarters, is the result of an insufficient number of peacekeepers for deployment at all the envisaged points. According to an earlier agreement, Major General Manojlo Milovanovic, chief of the main VRS headquarters, and Brigadier General Veere Hayes, chief of staff of UNPROFOR's headquarters for former Bosnia-Herzegovina, will tomorrow visit Mt. Igman together. Their task is to acquire an insight into all the details regarding the peacekeepers' deployment operation.

UN peacekeeping forces had earlier taken over Serb-held positions on Mt. Bjelasnica.

It was pointed out at the VRS main headquarters that the Serb side has again made a positive contribution to the continuation of the peace talks, thus confirming its committment to a political, not a violent, settlement to the crisis in the region of former Bosnia-Herzegovina.

Sarajevo Radio Reports Withdrawal

LD1108214293 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2000 GMT 11 Aug 93

[Text] The press center of the Bosnia-Herzegovina Army reports that the withdrawal of certain aggressor units from Mts. Bjelasnica and Igman was registered today.

AFP Reports on Withdrawal

AU1208122293 Paris AFP in English 1202 GMT 12 Aug 93

[Report by Michel Moutot]

[Text] Sarajevo, Aug 12 (AFP)—Bosnian Serb forces, facing threats of NATO air strikes, Thursday [12 August] completed the first stage of a withdrawal from strategic heights overlooking Sarajevo, a UN spokesman said.

Commander Barry Frewer of the UN Protection Force (UNPROFOR) said the United Nations had confirmation that the Serbs were continuing to withdraw from Mounts Bjelesnica and Igman, but added that several thousand men were still on Igman.

"Serbs forces have conducted the first stage of withdrawal," he said. "We believe that the stages of withdrawal are continuing. But there are still sizeable forces on Igman."

But he added: "We can't say with full conviction that all of them are withdrawing. Some may be redeploying to some others areas on the hill."

He said the Serbian withdrawal was "not at the speed that we'd hope" and that UNPROFOR was "monitoring very closely."

In Geneva, UN High Commissioner for Refugees (UNHCR) spokeswoman Sylvana Foa said the first fuel convoy to reach Sarajevo for a month arrived Thursday from Zenica, northwest of the Bosnian capital, and that another convoy, probably carrying food, was expected to arrive later Thursday.

She added that the UNHCR has undertaken preparations to airlift 41 critically injured Bosnians from Sarajevo next Sunday and Monday [15, 16 August].

Britain is to receive 20 of the injured, Sweden 16 and Ireland five, she said.

The Serbs' failure to complete the withdrawal from Mount Igman despite a declaration by their leader, Radovan Karadzic, in Geneva that all his troops had quit the mountain as of 0600 GMT, led Bosnian President Alija Izetbegovic to prolong his boycott of the Geneva peace talks.

"According to our information... Serbian forces are still on the mountains so the conditions for the continuation of the talking are not fulfilled," Izetbegovic said in Geneva.

On Wednesday Izetbegovic, who has boycotted the talks since August 1, warned that he would leave Geneva and return to Bosnia unless the Serbs completed their withdrawal within two days.

The co-chairmen of the Geneva talks, Thorvald Stoltenberg and Lord Owen, have also endorsed Izetbegovic's position by suspending the talks and setting a mid-morning deadline Thursday for the Serbs to withdraw.

The deadline came amid increasing threats by members of the North Atlantic Treaty Organization to strike against the Serbs, who throughout the week have appeared to play a cat and mouse game with UN troops around Sarajevo, withdrawing from a position one moment and reclaiming it the next.

In Washington, U.S. State Department spokesman Michael McCurry warned Wednesday that a Serb refusal to pull out quickly from the two heights would set the stage for a NATO air strike. In New York the United Nations said logistical arrangements for such a strike were in place.

"If this is adding to the public warnings to the Serbs, then so be it," McCurry said, but he refused to set a deadline for the Serb withdrawal.

Frewer said the Serbs have indicated they will not attempt to reocuppy some of their positions but "but we have no commitment or a long-term agreement in this respect."

He said four UN platoons patrol the two peaks daily and are sometimes hampered by land mines and checkpoints. He said the patrols have been able to confirm that for the time being only 800 Serb soldiers have pulled out from the region.

But Jovan Zametica, Karadzic's spokesman, insisted that the two heights were empty of any Serb troops as of 0600 GMT and that General Francis Briquemont, the commander of UN troops in Bosnia, should confirm this report thus allowing the Geneva talks to resume.

"Once this is confirmed, all conditions will be satisfied for the Geneva negotiations to continue," he said.

He added that the Serb leadership had also honored its pledge to open two relief corridors to Sarajevo citing Thursday's fuel convoys.

Izetbegovic Demands Destruction of Weapons

AU1108114093 Vienna DER STANDARD in German 11 Aug 93 p 2

[Interview with President Alija Izetbegovic by Branimir Baron-Brljevic in Zagreb; date not given: "The Weapons Must Be Destroyed"]

[Text] [Baron-Brljevic] Who is the main culprit in the Bosnian conflict, Serbian President Slobodan Milosevic?

[Izetbegovic] Nobody is innocent. But the main culprit is certainly Milosevic. However, his resignation or removal would not solve the problem. Milosevic has emerged in recent Yugoslav history as the exponent of a paranoid increase in weapons. These weapons, produced by the former Yugoslavia, determine his policy.

[Baron-Brljevic] Are you saying that Milosevic can stay?

[Izetbegovic] He can certainly stay, because he has been elected. Yet the weapons must be destroyed.

[Baron-Brljevic] What do you expect from the United Nations, NATO, and the United States?

[Izetbegovic] The West has been planning air strikes against Serbian positions in Bosnia-Herzegovina for a long time. We expect specific actions now and in the future, and not only threats. Sooner or later the United Nations and the leading states must do something to save their own principles and to save themselves. Unfortunately this will come too late for many people.

[Baron-Brljevic] Have you tried to explain to the West that the planned air strikes are not sufficient to end the tragedy?

[Izetbegovic] The West knows that very well. The West saw how little the alleged political changes in Serbia can achieve. As long as the unbelievable mass of weapons continues to exist, nothing will really change. The weapons make possible a new Milosevic, any time.

[Baron-Brljevic] What specific Western action do you expect?

[Izetbegovic] We expect limited military operations. I am exclusively talking about air strikes against Serbian combat aircraft and helicopters that are flying despite the flight ban, against Serbian military airports—both in Bosnia and Serbia—and against positions of their heavy artillery with which they attack civilian targets. For months, the Serbs have been refusing to place their artillery under UN control. Thus, it is time to eliminate the artillery in a military operation.

[Baron-Brljevic] Not even the supply routes for the starving population have been ensured. How can one expect more from the West in view of that?

[Izetbegovic] We have always been interested and still are interested in saving the Geneva peace conference. We do not want to be responsible for the failure of the conference. We are being pressurized by the international community of states to accept an agreement that we are not convinced is good for us. We demand the following minimum: the safeguarding of the supply corridors and the placing of the Bjelasnica and Igman mountains under UN control.

[Baron-Brljevic] Do you really believe that a common state of Croats and Muslims in Bosnia could survive and continue to exist?

[Izetbegovic] I not only believe that, I am convinced. Since the Croatian and Muslim ethnic groups are living in mixed areas, and since it is difficult to create purely Croatian and purely Muslim zones, I suggested this solution to Croatian President Tudjman. The territory of the Bosnian and Croatian republic within the future "union of the republics of Bosnia and Herzegovina" should remain a unified area from Neum on the sea to Orasje and Brcko on the Soave in the north. In this way we could save a great deal.

[Baron-Brljevic] Does this mean that you do not believe that Mr. Tudjman is your enemy, that he is responsible for the creation of "Herceg-Bosna" in Bosnia?

[Izetbegovic] There is a group in Croatia that does not want to understand that it is not possible to establish a state within the state. These Croats want an autonomy that goes far beyond what is possible within the state. I am convinced that President Tudjman is a realist. He must also take into consideration the world.

[Baron-Brljevic] To be honest, do you really see a chance of stopping this war?

[Izetbegovic] Unfortunately the war will continue, even if the Serbs should really withdraw from the Igman and Bjelasnica mountains. Local commanders and even the commander of the armed forces of the Bosnian Serbs, General Ratko Mladic, behave like independent rulers. They are threatening that they will go on fighting. Armed gangs will continue to make Bosnia insecure in the next few decades.

[Baron-Brljevic] The Bosnian Army also includes Mojahedin and other gangs. Will they also continue to fight?

[Izetbegovic] Such gangs certainly exist everywhere. Our Armed Forces were formed spontaneously. Many of our units that are still under our control are forming private armies of 200 to 300 fighters. We have turned them into one army that protects 2 million people against the chetniks.

[Baron-Brljevic] Would the West have shown more determination if the victims of the war had not been mainly Muslims?

[Izetbegovic] The West watched the killing of Croatian Catholics quite indifferently, both in Croatia and Bosnia. The West has no major economic interests here. That is the main reason.

[Baron-Brljevic] You stated that an end to the war is far away. When will the war end?

[Izetbegovic] Ethnic cleansing must by no means be accepted. Thus, sooner or later, the United Nations and the EC will have to make a decision on armed international armed forces—the creation of an army of mercenaries. Its deployment would be possible for a short but not a long period in some provinces at this point. The goal must be the gradual but complete demilitarization of Bosnia-Herzegovina. This is the precondition for an end to the war.

Izetbegovic Says Military Intervention 'Now or Never'

AU1208092193 Vienna NEWS in German 12 Aug 93 p 31

[Interview with President Alija Izetbegovic by Karl Wendl in Geneva; date not given: "Please Intervene..."]

[Text] [Wendl] You want to achieve a Western military intervention by all means. Will there be air strikes?

[Izetbegovic] I do not know. Yet one thing is certain: We have never been so close to a military intervention by the United States. If something happens, it will happen in the next few days. I have asked Clinton several times to carry out a strike against the aggressors who have destroyed our country. Yet, so far, Clinton has changed his mind every day. In the morning, he suggested a certain move and, in the afternoon, he was against it. I never knew exactly what he wanted. Now things seem to be different.

[Wendl] Who was most strongly opposed to air strikes?

[Izetbegovic] First of all, Great Britain. England's policy has always been against Bosnia-Herzegovina and friendly to the Serbs. The same applies to French policies. The rest of Europe never wanted to assume a clear position—with the exception of Germany and Austria.

[Wendl] What will happen if the UN secretary general orders an attack?

[Izetbegovic] Something will either happen now or never. If no air strikes are carried out, the Serbs will continue their march—until the final solution.

[Wendl] Would a total victory mean the conquest of Sarajevo?

[Izetbegovic] Yes, the conquest of Sarajevo and Gorazde. But they will never get Sarajevo, on no condition, no matter how big our sacrifices will be. Every house and every road in Sarajevo is a base for us. They will never win the street battle against us. Yet such a street battle would be a disaster for our people.

[Wendl] Your delegates in Geneva are cynically describing [Conference on Yugoslavia Cochairman] David Owen as Karadzic's spokesman, and as a puppet of the Serbs. Do you share this view?

[Izetbegovic] Our main problem is not Owen, but [Bosnian Serb leader] Radovan Karadzic, [Serbian President] Slobodan Milosevic, the Serbian army that has destroyed our country, and the passive attitude of the world community.

[Wendl] Did the United States exert pressure on you, urging you to agree to Bosnia's division into three parts and to continue negotiations?

[Izetbegovic] They did not exert pressure. Yet they told me—in a friendly and not in a commanding tone—to continue to participate in the Geneva talks. [Reginald] Bartholomew (U.S. special envoy for Bosnia) neither threatened to freeze aid for Bosnia nor threatened any other consequences. He only asked me, formally, not to return to Sarajevo, but to stay in Geneva.

[Wendl] Is the condition for your continued participation the withdrawal of the Serbs?

[Izetbegovic] Yes. If the Serbs do not withdraw, they do not want peace. In that case, negotiations are useless.

[Wendl] Do the political leaders in Bosnia have the power to stop the armies?

[Izetbegovic] As far as I am concerned, I can give you a positive answer. I have complete control over 95 percent of the Army. Yet I am not sure whether this is also true for Radovan Karadzic.

[Wendl] On what conditions will you agree to a peace treaty?

[Izetbegovic] Bosnia-Herzegovina must continue to exist as an independent state and the union must remain a member of the United Nations. In addition, we demand access to the coast and to the Sava River in the north. The country must be divided in a way that there is room for 2.5 million Muslims. Thus, we are clearly calling for more than the 30 percent that have been offered to us so far.

Thirty Muslim, Six Serbian Soldiers Killed Near Doboj

LD1108150793 Pale Radio-Televizija Republike Srpske Studio-S Radio in Serbo-Croatian 1300 GMT 11 Aug 93

[Report by Lidija Zaric from the Doboj area]

[Excerpt] Muslim forces launched an attack from the direction of Sije and Mravici yesterday, trying to pierce Serb defense lines and to create a bridgehead to establish a corridor between Gracanica and Tesanj. The enemy succeeded in crossing to the other side of the Bosnia river and in breaking through Serb defense lines. Muslims captured the Sibovo area in Doboj's Pridjel suburb.

After fierce fighting Serb forces succeeded in pushing the enemy back to the other side of the Bosna river. This operation was over by 1400 today and the enemy suffered heavy losses. More than 30 Muslim fanatics were killed and three were captured. Six Serb soldiers were killed in these clashes [passage omitted]

Serbs Prepare 'Biggest Ever Offensive' Against Gorazde

AU1208113893

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 1000 GMT on 12 August reports combat activity in the following regions:

The correspondent from Tuzla Salih Brkic, among other things, reports that "overflights of numerous aggressors' helicopters were noted on the Brcko-Doboj route at approximately 2000 GMT" last night. "There were 20 helicopters in the first group and seven helicopters in the second group," the correspondent reports, wondering "how come that the mighty UN air forces and their flight control take no notice or action when 27 chetnik helicopters overfly within a short period of time, when, for example, yesterday, over Tuzla, they were (?chasing) a medical helicopter that was carrying seriously injured men from the Olovo battlefield to the Tuzla clinical center?"

The Zvornik Press Center reports that, in the area, the night "passed with sporadic shelling" of defense lines and "constant infantry arms provocations." However, the report continues, early this morning, the aggressor embarked upon the shelling of the hamlets (?Medjuk), Sapna, and Bistrica. It is reported that "over 50 tank and mortar bombs of various calibers have landed" there. The dispatch adds that the defense lines are "firm and stable."

The correspondent from Gorazde, Mustafa Kurtovic, says that "the aggressor has intensified his attacks on all lines of defense since this morning." As he reports, "the aggressor" has been pounding several villages surrounding Gorazde with 60-mm and 82-mm mortars. In the area of Visegrad, Kurtovic reports, "the Chetniks" attacked the village of (?Kagaljici), while "one stable in the village of (?Levorici) was set on fire by an antiaircraft machine gun." "Since morning, the aggressor has stepped up his infantry arms provocations on all lines of defense," Kurtovic also says, claiming that "the aggressor is bringing fresh troops from the direction of [word indistinct), Foca, and Cajnice, which indicates that the biggest ever offensive against Gorazde is being prepared."

Serbian Violation of No-Fly Zone Reported

AU1208093593

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 0800 GMT and 0900 GMT on 12 August gives the following account of the morning situation in the Republic:

The Bosnia Operative Group of the Bosnia-Herzegovina Army in its dispatch on the situation in Zavidovici concentrates mostly on yesterday's shelling of the town and its defense lines by "the Serbian aggressor," and "the extremists of the Croatian Defense Council [HVO]." The dispatch assesses that approximately 100 projectiles landed on the town and defense lines yesterday. It is also reported that the "new aggressor's motorized convoys were spotted overnight, indicating new threats to the free territory of Zavidovici." "Sporadic provocations persisted throughout the night," the dispatch states, while "the enemy" has been firing from antiaircraft machine guns and infantry arms at Dubravica this morning.

The correspondent from Maglaj, Hajrudin Sermic, reports on the suffering of the civilians in the town, which is a result of the town's encirclement and the constant attacks on it. Sermic rounds up yesterday's "provocative fire" at the defense lines and the shelling of Maglaj's suburbia in which one girl was killed. As he reports, "the chetniks" in (?Procjep) also fired Maljutka guided missiles at the town itself yesterday afternoon, injuring three civilians. "The morning of 12 August commences with the customary aggressor's antiaircraft machine gun fire aimed at the civilian quarters of the town," Sermic reports, while the defense lines in Ljesnica are being shelled from mortars at regular intervals.

Hajrudin Sermic reports from Brcko that "the Serbo-Montenegrin air force violated the air space above Brcko last night." As he reports, "the enemy transport helicopters yesterday carried out exactly 27 overflights on the Bjeljina-Pelagicevo route above Brcko between 2130 [1930 GMT] and 2215." He reports that the first group, which consisted of four helicopters, was detected at 1930

GMT and, at 1945 GMT, was followed by "20 transport aircraft [transportna ljetilica] that flew in formations of three or four aircraft." As he continues to report, the third group, which comprised three transport helicopters, was noted at 2015 GMT.

A dispatch by the Gradacac Press Center confirms the above report by saying that "31 transport helicopters were noticed in the course of last night." As the dispatch says, four aircraft flew on the (?Duge Njive)-Sipovac route while 27 aircraft flew on the Brcko- Pelagicevo-Bosanski Samac-Modrica route. "Beside this, we have noticed large convoys of vehicles on all access roads toward Gradacac," the dispatch says. As it is reported, the Gradacac town center was shelled last night while tanks were firing at the defense lines in Liporasce, Mionica, and the Gradacac industrial zone. "The morning in Gradacac is quiet," the report states, doubting that "the deceptive lull" will last.

Army Reportedly Preparing 'Massive Offensive'

AU1208084893 Belgrade Radio Beograd Network in Serbo-Croatian 0800 GMT 12 Aug 93

[Text] The Muslim forces are preparing a massive offensive against Mt. Igman and Mt. Bjelasnica. This was announced by the Sarajevo-Romanija Corps Information Center. The SRNA agency reports that the majority of the Muslim army's special forces, stationed in Konjic, have started toward Mt. Bjelasnica.

It was stressed that the assignment of the Muslim units is to regain positions on Mt. Igman and Mt. Bjelasnica that they lost at the beginning of the month, and to restore the route between Sarajevo and Konjic where the largest munitions plant in the former Yugoslavia is situated.

Muslims Reportedly Massacre Serb Villagers, Soldiers

LD1108185293 Belgrade TANJUG Domestic Service in Serbo-Croatian 1817 GMT 11 Aug 93

[Text] Belgrade, 11 Aug (TANJUG)—Muslim troops entered the Serb-populated villages of Pridjel, Potocani, Mitrovici and Jabucic Polje in the night of 9-10 August and massacred civilians and Serb soldiers, SRNA reports, citing the security service center in Doboj.

According to the center's director, Andrija Bjelosevic, judging by the information acquired so far, the Muslim fanatics massacred 12 civilians and six Serb soldiers and set a number of houses on fire.

Muslims from Tesanj last night attempted to cross the Bosna river in the Ozren region, piercing Serb defense lines and committing a massacre of civilians and Serb fighters defending the villages.

After several hours of heavy fighting, members of the republic of Srpska army managed to push the Muslim forces back to their initial positions.

Croatian 'Massacre' Reported in Bugojno

AU1108130193 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1000 GMT 11 Aug 93

[Text] We have just received the latest report from Bugojno.

The units of the Bosnia-Herzegovina Army in Bugojno and Donji Vakuf have resisted with superhuman effort the fascists who, from their strongholds on the surrounding hills, destroyed everything that generations of citizens had built in the course of the last several decades.

During (?clashes) between the Croatian Defense Council [HVO] and the Bosnia-Herzegovina Army, Bugojno suffered grave injuries that will heal slowly and will be even more difficult to forget. The ustasha ideologists tried to repeat the drama from Ahmici in these areas. They only partly succeeded.

During the first days of the clashes, on 17 and 18 July, the fascists, wearing HVO uniforms, captured three members of the Bugojno Interior Ministry, whose fate remains unknown to this day. During the same period of time an unheard-of massacre was committed on the population of (?Vrbani). After the orgy of the savage soldiers, this part of Bugojno is a wasteland, with three mass graves that were covered with bulldozers. This was the Bugojno and Donji Vakuf Press Center reporting for Radio Television Bosnia-Herzegovina.

UN Official Decries 'Obstacles' to Aid Deliveries

AU1108150293 Paris AFP in English 1420 GMT 11 Aug 93

[Text] Sarajevo, Aug 11 (AFP)—Sarajevo and central Bosnia are getting insufficient humanitarian aid because of numerous obstacles to deliveries from the outside world, a senior U.N. aid official said here Wednesday [10 August] as the latest on-off ceasefire plan was announced.

Tony Land, head of mission for the U.N. High Commissioner for Refugees, told reporters that airlifts were the only reliable system to deliver food to the capital.

But the number of planes available meant only 1,100 tonnes of food at most could be brought in each week, whereas "I need 1,600 tonnes per week for the most basic ration, 530 grams per person and per day", Land said. That was "by no means a lot of food per person," he added.

Road convoys faced multiple problems from the Adriatic coast to Sarajevo through central Bosnia. Land said problems started even before convoys left the loading base at Metkovic in Croatia, because of "ever increasing bureaucratic requirements" imposed by the Croatian military.

The UNHCR now had to give 72 hours advance notice in detail before convoys entered Bosnia from Metkovic.

At Gornji Vakuf, the central town taken by the mainly Moslem Bosnian Army, which is fighting surrounding

Croat units, convoys needed permanent escort by British armoured cars, but could still be held up for days by the fierceness of the fighting, Land noted.

"The road the convoys have to use is probably the worst possible option that we could have, but it's the only one available," he remarked.

Before fighting broke out in May in that region, trucks managed the journey from the coast to Sarajevo in 48 hours, but now five or six days were needed. "Violence erupts from day to day in an unpredictable way," Land said.

A further problem was the poor state of the roads, with armoured vehicles used at some places to haul the trucks through like tractors. Full loads could not be carried, and "our logistical resources are being used at something like 25 percent of their capacity," Land said.

He added that while the situation was difficult here, it was still worse in Tuzla and Zenica, cut off in the north, as they could not currently be supplied by airlift.

TANJUG Says Convoys 'Unimpeded'

LD1108142493 Belgrade TANJUG in English 1410 GMT 11 Aug 93

[Text] Zvornik, Aug 11 (TANJUG)—Two UNHCR convoys, carrying relief supplies for Tuzla and Srebrenica—the Moslem enclaves in northern and eastern Bosnia-Herzegovina—on Wednesday [11 August] passed unimpeded through the territory of the Serb republic.

After a regular check in the Serb town of Zvornik in eastern Bosnia, the seven-truck convoy with 60 tonnes of food and hygienic supplies proceeded for Tuzla and five trucks with similar contents for Srebrenica.

Letter to UN Complains of Continuing 'Genocide'

LD1108214093 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2000 GMT 11 Aug 93

[Text] Genocide against the people of Bosnia-Herzegovina is continuing, and the criminals are making use of the Geneva agreement only in order to divert the attention of the international community, according to a letter which the government of our country has sent to the United Nations.

After the Serb-Montenegrin aggressors carried out genocide against our state in numerous areas, ethnic cleansing of the Muslim population of Mostar, Capljina, Pocitelj, Dubrave, and Stolac is under way, states the letter, signed by Deputy Prime Minister Hadzo Efendic. The genocide is being carried out by the Croatian Defense Council and the troops of the Republic of Croatia. We demand and expect—the letter goes on—that the United Nations and all its members will send aid for the population and refugees in the areas of Blagaj, Mostar, and Jablanica either by land convoy, or by airdrops; and that representatives of the international community be sent immediately to Capljina, Pocitelj, Stolac, and Dubrave in order to confirm the scale of the crimes and to take measures to prevent them.

Neum Croats Deny Serbs, Muslims Corridor to Sea

LD1108214993 Zagreb Radio Croatia Network in Serbo-Croatian 1700 GMT 11 Aug 93

[Text] The Croatian Defense Council [HVO] in Neum has issued a statement today in connection with the Geneva talks and the Muslim and Serb negotiators' demand to have Neum as their access to the sea. The statement says that the population of Neum municipality, which is 90 percent Croat, unambiguously demonstrated where they wish to continue living, that is, to which community they wish to belong, when they joined their Croatian neighbors to halt the rampaging Serb-Montenegrin soldiery once and for all.

Neum is the territory of the Croatian people, and is so now as part of the Croatian community of Herceg-Bosna. It has never been Muslim Serb or Montenegrin, nor will it ever be. We will therefore give no one, not even the map concoctors in Geneva, the right to auction off this Croatian territory; nor can we permit the Muslims and Serbs a corridor for access to the sea at Neum, today's statement by the HVO of the Neum municipality says.

Boban on Efforts for Political Solution

LD1108221993 Belgrade TANJUG Domestic Service in Serbo-Croatian 2009 GMT 11 Aug 93

[Text] Geneva, 11 Aug (TANJUG)—Mate Boban, president of the Croatian community of Herceg-Bosna, has said that Croatia will do everything possible to bring about a political solution in Bosnia, since the alternative is "an abyss of war."

In a press statement issued after his meeting with the cochairmen of the Geneva conference today, Boban said it would be "sad" if Izetbegovic "were to think up some new reason" for rejecting negotiations, adding that he doubted that Izetbegovic is ready to sit down at the negotiating table soon.

"In Bosnia-Herzegovina two sides can never do anything unless the third side is part of the context of events," Boban said when asked whether Serbs and Croats could sign an agreement alone. However, Boban added in conclusion, in the process of putting an end to the conflict, in the process of concluding setting up the union of the republics of Bosnia and Herzegovina, two sides can come to agreement and wait for the third to accept it.

Army Discloses Details of Cease-Fire Agreement

AU1108114993 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1000 GMT 11 Aug 93

[Text] After 18 hours of negotiations at Sarajevo airport mediated by General Briquemont, a military agreement on Bosnia- Herzegovina was signed at around 0400 this morning. The agreement should be [word indistinct] in

Geneva. On behalf of our state and the Bosnia-Herzegovina Army, the military agreement on peace was signed by Commander of the Supreme Command Headquarters Rasim Delic, on behalf of the Croatian Defense Council [HVO] Milivoje Petkovic, while the aggressor's side was represented by the war criminal Ratko Mladic. Our army commander agreed the following points:

1) observing of the military agreement on peace, [words indistinct];

2) [words indistinct] a cease-fire, (?registering) of units, withdrawal of forces and heavy weaponry, infantry movements limited to barracks;

3) [word indistinct] of the borders;

4) establishment of the infrastructure, which includes the electricity network, thermoelectric plants, coal mines, hydroelectric plants, bridges, power lines, telecommunications, railroad lines, roadways, and waterworks;

5) [word indistinct] of freedom of movement, principles of freedom of movement, and special measures for the opening of roads;

The (?dynamics) of implementing this agreement have also been agreed.

[Signed] Bosnia-Herzegovina Army Press Center

Thornberry on Air Strike Possibility

LD1108162993 Belgrade TANJUG Domestic Service in Serbo-Croatian 1229 GMT 11 Aug 93

Belgrade, 11 Aug (TANJUG)—Speaking today about the possibility of air strikes on Serb positions in Bosnia-Herzegovina, Cedric Thornberry, deputy chief of the UN Protection Forces [UNPROFOR] mission, said that "any use of force being considered will be on a purely pragmatic basis."

Speaking at the regular press conference in the International Press Center in Belgrade, Thornberry said that the purpose of any such action would be to protect the position of the UN forces, and enable them to carry out their mandate; he pointed out that air strikes are possible only with the permission of the UN secretary general.

"Given that, one might reckon that some use of air forces might be necessary," Thornberry added.

He stressed that those who decide on this must bear in mind that the mission involved is a peace-keeping mission, that the UN forces are not deployed for defense, and that they are "vulnerable."

Cedric Thornberry assessed the situation in the greater part of the former Bosnia-Herzegovina to be unchanged, stressing that central Bosnia and Sarajevo are now the main theaters. He considers the situation in central Bosnia to be unstable and thinks that "the advance of the Bosnian presidency's forces toward the south, toward the Makljen region, is not good."

Commenting on a BBC report yesterday which alleged that Serbian forces are returning to Mount Igman, Thornberry stressed that the situation around Sarajevo is calm and said that the BBC "perhaps knows something the military experts do not know," adding that "there are a lot of tall stories about Igman."

Thornberry said that yesterday three British helicopters flying toward Kiseljak were fired on over territory controlled by the Croatian Defense Council. Two of them were hit, but nevertheless fulfilled their task.

"The pilots take the generous, but realistic, view that that they were not deliberately fired on, but rather that anything that moves is fired on there," Thornberry explained.

The deputy chief of the UNPROFOR mission said that in Croatia "the situation in all four zones under UN control is calm," and that the main thing now is to get the two sides back together in Geneva at talks.

Thornberry, who yesterday visited the UNPROFOR command in the former Yugoslav republic of Macedonia, assessed the peace operation there "to be successful from the military standpoint" and declared that U.S. servicemen from the peace forces in Macedonia will be involved in the operation in the course of next week.

According to yesterday's figures, the UNPROFOR troops in former Yugoslavia number 26,360, Thornberry announced. He pointed out that the number of casualties among the "blue helmets" is growing: 54 servicemen have lost their lives and 552 have been wounded.

The amount of humanitarian aid delivered between 5 and 10 August by UNPROFOR-escorted convoys, according to Thornberry, amounts to 5,632 tonnes. In operation "Airdrop," which is continuing, 6,865 tonnes of aid have been dropped over eastern Bosnia, Thornberry said, though he did not specify over what period. So far 4,600 aircraft carrying humanitarian aid have flown in to Sarajevo airport, the deputy chief of the UNPROFOR mission added.

NATO Decision on Air Strikes Praised

AU1108150093 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 11 Aug 93

[Commentary by Zijo Dizdarevic]

[Text] The latest agreement by NATO has resulted in the most important international decision concerning the aggression against Bosnia-Herzegovina. The aggressor has been told in no uncertain terms what the international opinion is, and what he can expect if he continues in the same fashion. It is up to the aggressor to assess this qualitatively new approach and [words indistinct] the most powerful international military organization is now opposed to our enemy. The basic intention of NATO is to restrain the aggressor on the military field, and to discipline him on the political front. Washington stresses

that it finds it unacceptable that sieges of cities should continue, that civilians should continue to be targeted, that humanitarian aid should be obstructed, and of course that UNPROFOR [United Nations Protection Forces] should be attacked. Generally, the overall behavior of the Serbian fascists is unacceptable.

In order to preserve the Western alliance and to function within the United Nations, the White House accepted that the secretary general should be the one to give the go-ahead to the NATO aircraft operation. Many believe with reason that this is the weakest [word indistinct] and Butrus-Ghali is already trying to pass on the responsibility given to him onto the Security Council, so that others, particularly Russia, are given a chance to use their right of veto. As for Great Britain, France, and Butrus-Ghali, it is unlikely that any of them will dare risk declaring themselves once again as the obstruction, that is, as a supporter of the aggressor's. Besides, the unity of the West has been saved by a narrow margin, and anyone who now stepped out of the consensus would really be breaking up the alliance. Finally, if the agreement is not followed through, that could trigger off a unilateral operation by the United States.

The behavior of the aggressor is closely observed, and every militant move of his could be seen as the reason for a military intervention. The Brussels decision is, among other things, also the framework for the implementation of the resolution on safe havens. The stress is particularly laid on the lifting of the siege of Sarajevo, and the passability of the roads for the humanitarian aid. This gives hope for a calmer autumn and winter, regardless of the outcome of the peace talks.

As for [words indistinct] the Brussels change in the Western course of action brings in a more favorable atmosphere for our delegation. Limits have been set to the aggressor's military pressures, while, generally speaking, conditions are being created for halting the degradation of the position of Bosnia-Herzegovina as a state. The full importance of the NATO decision does not have to be manifested in the physical show of the international military threat, as that would almost mean that the aggressor's military activities have halted, and that he is cooperative in the negotiating process. He is not used to that. It goes against his nature. After all, it is up to him to decide whether he will continue to stir up the hornet's nest.

Krajisnik Tried To Persuade Serbs To Leave Presidency

AU1108163293 Belgrade BORBA in Serbo-Croatian 10 Aug 93 p 12

[Report by G. Rosic: "Sin of Those Written Off a Long Time Ago"]

[Text] After the departure of Miro Lasic, Franjo Boras, and Mile Akmadzic, the representatives of the Croatian people in Izetbegovic's Presidency, this highest body of Bosnia-Herzegovina is left—apart from the Muslim representatives—with three Serbs: Miro Lazovic, Tatjana Ljuic-Mijatovic, and Mirko Pejanovic, who are considered by the Pale authorities as illegitimate representatives of the Serbian people, and frequently referred to as "Alija's Serbs".

By saying that "these dishonorable Serbs have largely undermined Geneva, that is, if it had not been for them, the job would have been completed, and Bosnia-Herzegovina would have been transformed into a union of national republics," Momcilo Krajisnik, chairman of the Srpska republic assembly, gives them some kind of legitimacy. Krajisnik spent a lot of time in Geneva trying to persuade Lazovic, Ljuic-Mijatovic, and Pejanovic to follow the Croatian example, that is, to leave Izetbegovic's Presidency. However, according to Krajisnik, they stood firm behind Izetbegovic's decision to condition the continuation of the talks with the Serb army withdrawal from positions on Mt. Bjelasnica and Mt. Igman.

Dr. Biljana Plavsic, vice president of the Srpska republic, told BORBA that she could not say anything about "the Serbs from Izetbegovic's Presidency undermining the talks in Geneva" as she was not taking part in the talks. "I do not believe that the three of them have any influence in Geneva. They are Serbs who were written off a long time ago. They are washed up communists, Izetbegovic's decorations," Plavsic says, adding that "the Serbs know what they will do to them if they ever get their hands on them."

According to what we have found out from members of Izetbegovic's mission in Geneva, Mirko Pejanovic is committed to the thesis that the war can be stopped only through a political settlement. Tatjana Ljuic-Mijatovic (who was second on the list of the Social Democratic Party of the former communists at the elections, and thus became a deputy in the Bosnian Assembly) and Miro Lazovic, who entered the Presidency as the chairman of the Bosnia-Herzegovina Assembly, are both committed to the views of their "boss" Nijaz Durakovic. According to them, Bosnia-Herzegovina must remain within its internationally recognized borders, retain its UN membership, and have the international legal status that cannot be given to the republics of which it will be composed in the future.

"The dishonorable Serbs," as Krajisnik calls them, in Geneva also support the idea that the republics that will make up Bosnia-Herzegovina must not be based exclusively on the ethnic principle. Our Geneva sources reveal that this "troika" of Bosnian Serbs is particularly aggrieved by the fact that the negotiations have been reduced to trading with territories, people, and human rights.

Further on NATO Aircraft Crash in Adriatic

LD1108122193 Zagreb Radio Croatia Network in Serbo-Croatian 1200 GMT 11 Aug 93

[Text] According to initial reports by the operational service of the Ministry of Internal Affairs of the Republic of Croatia at 1215 an aircraft presumed to belong to NATO crashed near the island of Maun south of Pag. Two pilots ejected themselves from the aircraft; a patrol boat of the Ministry of Internal Affairs is taking part in a rescue operation, which is still under way, HINA was informed by the operational service of the Ministry of Internal Affairs.

Pilot Rescued

LD1108122893 London PRESS ASSOCIATION in English 1203 GMT 11 Aug 93

[Article by Charles Miller, Press Association defense correspondent]

[Text] The crew of a Royal Navy helicopter today rescued the pilot of a Nato fighter which crashed into the Adriatic Sea off the Croatian coast. The Sea King Mark 4 helicopter based at the British barracks at Split was immediately scrambled after the F-16 went down. The pilot successfully ejected from his aircraft and the helicopter crew from Yeovilton-based 845 Squadron plucked him out of the sea. The nationality of the rescued pilot was not immediately known, although sources indicated he could be Turkish. F-16 Falcon fighters from the United States, Holland and Turkey form part of the allied force in the region. The plane was one of two in the area apparently en route to or returning from nearby Bosnia where NATO aircraft are enforcing the UN no-fly zone.

Engine Failure Suspected

LD1108132793 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 11 Aug 93

[Text] An F-16-type NATO aircraft crashed around 1200 between the island of Pag and the neighboring islet of Maun. The aircraft pilot managed to eject.

The pilot was found and rescued after a search that lasted for an hour and a half. He did not suffer any injuries, we have learned from the information service in Pag. The cause of the crash is not known yet, but it is guessed that the cause was engine failure.

Many fishing boats from the islands of Pag and Rab joined the search party immediately after the crash. The pilot was finally found and rescued by a UN helicopter.

NATO Identifies Plane

AU1108124293 Paris AFP in English 1228 GMT 11 Aug 93

[Text] Rome, Aug 11 (AFP)—A U.S. F-16 fighter-bomber belonging to NATO forces enforcing a no-fly zone over Bosnia-Herzegovina crashed Wednesday [10 August] in the Adriatic, NATO officials said.

The pilot ejected into international waters off Croatia, officials added.

Helicopters and a coastguard launch were taking part in recovery operation.

Talks on Erdut Accord Expected 12 Aug

LD1108212793 Belgrade TANJUG Domestic Service in Serbo-Croatian 2055 GMT 11 Aug 93

[Text] Geneva, 11 Aug (TANJUG)—If a cease-fire agreement can be coordinated, we can move on to all options for lesser agreements, either by sectors or by topics, Slavko Degoricija, head of the Croat delegation at the Geneva talks on normalization of relations with Krajina, said this evening.

The Croat delegation had two rounds of talks today with the cochairmen of these negotiations, ambassadors Ahrens and Vollebaek. By late this evening the delegation of the republic of Serb Krajina, which is led by President Goran Hadzic, had not yet arrived in Geneva.

The conference secretariat has announced that talks should begin between the two sides tomorrow on implementing the Erdut agreement, which the two sides failed to agree on at the Vienna talks at the end of July.

RSK 'Ready' To Sign Cease-Fire To Fulfill Erdut Accord

LD1108190793 Belgrade TANJUG in English 1758 GMT 11 Aug 93

[Text] Knin, August 11 (TANJUG)—The Republic of Serb Krajina (RSK) is ready to sign a ceasefire accord with Croatia, but makes its coming into effect conditional upon fulfilment of the Erdut agreement, said RSK delegation's chief military negotiator Colonel Kosta Novakovic on Wednesday [10 August], before leaving for Geneva.

Talks with the Croatian delegation can begin immediately upon our arrival, since we have always been for a peaceful solution of the conflict, added Novakovic. He said it was out of the question to rediscuss the Erdut agreement, signed through UNPROFOR [UN Protection Forces] mediation on July 16, because there was no reason to reconsider the issues already agreed upon but unobserved by Croatia.

The agreement obliged Croatia to withdraw its troops by July 31 from the RSK territories it captured in July last year and in January this year, in spite of the fact that the RSK was declared a United Nations Protected Area (UNPA). In return, the RSK Serbs allowed Croatia to construct a pontoon bridge at Maslenica. Croatia, however, has not yet withdrawn its troops although the deadlines were several times extended, and the RSK troops have consequently put the bridge out of traffic.

We do not intend to sign any 'agreement about the agreement', said Novakovic mentioning international significance of the Erdut agreement which was signed within the Conference on Former Yugoslavia. The implementation of the Erdut agreement would set a stage for a lasting peace, said Novakovic, because it would mean UNPROFOR's deployment along the demarcation lines of the two sides in conflict, as provided by the Sarajevo agreement of January 2, 1992. It is only then, says Novakovic, that political negotiations could begin between the two conflicting sides, the RSK and Croatia, on vital issues of their relations.

RSK President Denies Criminal Activities

LD1108200993 Belgrade TANJUG Domestic Service in Serbo-Croatian 1152 GMT 11 Aug 93

[Excerpts] Knin, 11 Aug (TANJUG)—Goran Hadzic, the president of the republic of Serb Krajina [RSK], has sent a request to the Krajina Assembly Chairman Mile Paspalj, for the forming of a parliamentary commission that should, the request says, "objectively investigate all the accusations voiced by Rade Leskovac in the media concerning alleged criminal activities perpetrated by the RSK president." [passage omitted]

In the explanation of his request, Hadzic claims that Leskovac has been making assertions for quite some time now about "alleged criminal activities involving the RSK president, ranging from the pilferage of timber, fuel from tanks, to the embezzlement of funds belonging to the National Bank of Krajina."

Such slander, Hadzic claims, "does not jeopardize my moral integrity to the extent that it poses a threat to the security of the RSK, because it provokes suspicion, defeatism, and antagonism toward the authorities and institutions of the RSK."

Army Reportedly Attacks Serb Positions Near Maslenica

AU1108145193 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 11 Aug 93

[Report by Damir Kozul from Krajina]

[Text] A group of French UNPROFOR [UN Protection Forces] soldiers arrived on the north bank of the Maslenica gorge at about 0930 this morning, without the Serb forces knowing anything about it. They were only subsequently informed.

After they withdrew at about 1230, the Croatian Army attacked Serbian positions on the Novigrad part of the front with tanks and multiple rocket launchers. It is difficult to be believe that this was an accident. The bulk of projectiles landed in the Karin region. There is no information on casualties. Serbian forces have not responded to this attack.

Several Shells Fired at Maslenica Bridge Area

LD1108113893 Zagreb Radio Croatia Network in Serbo-Croatian 1100 GMT 11 Aug 93

[Excerpt] Following a relatively peaceful morning throughout the Zadar-Biograd area, at around 1030 the Serbs based in Meka Draga in Krusevo fired several artillery shells at the building site of the pontoon bridge spanning the Novsko straits. [passage omitted]

Tudjman Appeals to Izetbegovic on Muslim Attacks

LD1208002493 Zagreb Radio Croatia Network in Serbo-Croatian 2000 GMT 11 Aug 93

[Text] Croatian President Dr. Franjo Tudjman has sent a letter to Alija Izetbegovic, president of the Presidency of the Republic of Bosnia-Herzegovina, which we now carry in full: [announcer-read]

In connection with your letter of 4 August, about which, regrettably, I first learned from the press, permit me to expound to you the stance of the Republic of Croatia. Croatia has recognized the Republic of Bosnia-Herzegovina as an independent and sovereign state, and backs every decision which the representatives of all three of its constituent peoples agree upon, and which will lead as soon as possible to an enduring and stable peace in those areas.

The Croatian state welcomes and supports every initiative which aims to create the strongest possible cooperation between the Muslim and Croat constituent units in the future union of the republics of Bosnia and Herzegovina. But this agreement must be reached by the leaders and legitimate representatives of these republics.

Such an initiative naturally assumes first and foremost the instantaneous and unconditional cessation of attacks by Muslim military units and of ethnic cleansing of areas where the Croat population of Bosnia-Herzegovina has lived for centuries. Good cooperation between the Muslim and Croats in Bosnia-Herzegovina is the precondition for strengthening good relations between the Republic of Croatia and the present republic, as well as the future union of republics of Bosnia-Herzegovina, which is in the interest of both sides, the letter from Dr. Tudjman says in conclusion.

Government Refutes ECONOMIST Article

LD1208014793 Zagreb Radio Croatia Network in Serbo-Croatian 2200 GMT 11 Aug 93

[Text] The information service of the Croatian Foreign Ministry has sent a reply to an article carried by the British weekly ECONOMIST of 7 August, which accuses Croatian politicians of wishing to create a greater Croatia and claims that Croatia did not honor the Erdut agreement regarding the reopening of Maslenica Bridge.

Among other things, the reply says: The unfounded assertion that Croatia wishes to divide Bosnia is contradicted by the fact that Croatia was among the first countries to recognize the sovereignty and territorial integrity of Bosnia-Herzegovina. While the international community was conducting inconsistent and hand-washing policies towards Bosnia-Herzegovina, Croatia did more for the defense of that country's sovereignty and received more refugees than all other countries together. The Croatian Government urged the Croats in Bosnia-Herzegovina to join the Muslims and vote for independence, in order to secure the necessary majority and meet conditions for recognition.

Illusions about Croatia's pretensions towards the creation of a greater Croatia are absolutely false. The Republic of Croatia has always been emphasizing the principles of the inviolability of borders and proposing the creation of a confederation with Bosnia-Herzegovina. The Croatian community in Bosnia-Herzegovina established Herceg-Bosna from what was left after the Serbian aggression because of the Bosnia-Herzegovina Presidency's failure to organize successful defense.

Croatian President Dr. Franjo Tudjman, declared on numerous occasions that Croatia supports the territorial integrity and indivisibility of Bosnia-Herzegovina as a principle and as a condition for national security. The Croatian Goverment supports every settlement acceptable to all three consituent nations in Bosnia-Herzegovina. It is unjust to accuse Croatia for the United Nations' and international community's failure to take adequate measures and prevent the conquering of the entire territory of Bosnia-Herzegovina and defend the interests of the local Croats and Muslims.

The reopening of Maslenica bridge and Zemunik airport should have served civilian, economic, and humanitarian interests and did not threaten anybody. Despite the extension of the agreement until 3 August, the rebel Serbs attacked and destroyed part of the bridge on 1 and 2 August without justification, thus annulling the agreement and thwarting efforts aimed at reaching a peaceful settlement. The international community condemned the attack. Croatia's restraint, similar to the restraint exercised by Israel during the Gulf War, should be welcomed by the international community which should now assume its share of the responsibility as it did after Iraq's aggression against Kuwait.

HVO Military Situation Analyzed

93BA1313B Zagreb VJESNIK in Serbo-Croatian 24 Jul 93 p 14

[Article by Fran Visnar: "A Plan for Lords and Serfs"]

[Text] Tens of thousands of mistreated women, children, and old people are dying of thirst in the daytime and freezing at night in the strangely cold nights of July. They are carrying all they own in ordinary plastic bags and they do not remember the last time they had a decent meal or sleep. A little piece of fresh bread, a dry cracker so old it crumbles at every touch, and an occasional waffle cookie are a real treat and the only meal for the day. Various grasses, leaves, and what they can gather in the woods replace the fruits and vegetables which these people painstakingly cultivated until recently in their gardens and on their farms. Those farms no longer exist—they have been leveled to the ground by persistent mortar fire; what was left has been torched and burned to the foundations.

It is interesting that the major world TV networks and news agencies are not covering their destiny, nor are they recording the moving stories of mothers and women who can no longer describe even in tears the fate which has befallen them. And the children, even the little girls, instead of playing with dolls, have learned the wartime rules of the game: to react instantly to the warning and frightening roar of the howitzer shell, throwing themselves to the ground regardless of where they are.

If the uninformed reader should instantly think that we are referring to Muslims in flight from the onslaught of the roaring Serbian war machine, he can be forgiven. But what is one to say about those world and European factors which show almost no interest in the suffering of all those people—the Croats from central Bosnia, civilians who are not to blame for anything and whose number exceeds the population of, say, three Vukovars? Uncertain and completely surrounded, they are living witnesses to the largest organized attack of Muslim units since the beginning of the war in Bosnia and Herzegovina.

Never before have the Muslims fought with such ferocity, anger, and hatred as against the Croats. Their furious onslaughts can be interpreted in two ways: With calculated cruelty, they want to take Croatian territories in central Bosnia as soon as possible and ethnically cleanse them completely so as to achieve what they have learned from the Serbs—by "cleansing" at the outset, to prevent any subsequent guerrilla form of resistance.

On the other side from the rough treatment, raping, and savage killing, which is particularly done by the mod-jahedin element in the Bosnian Army, there is the psychological purpose. The panicked Croatian population will be lucky if it manages to get out alive, leaving behind everything painstakingly acquired over decades. And something else: The surviving Croatian civilians will spread the stories about the terrible actions of the "dauntless and ruthless Islamic warriors," deterring the fainthearted from fighting and breaking down the will of the exhausted members of the HVO [Croatian Defense Council], who before were shedding blood for months on the first line of battle, halting with superhuman efforts the penetrations of the Serbian tanks and motorized infantry.

Behind those tactical objectives could be seen the most important objective, the one that has strategic importance. Having lost a number of major military battles

with the Serbs, the Muslim living space has become so constricted that now the Muslims are fighting instinctively for physical survival, taking from the Croats everything they can grasp and accusing them of even those things of which they are not guilty at all so that they might find some valid justification for territorial expansion at the expense of their former ally, who many times was their only protector.

Like the Whites and Blacks in New York

Looking at a map, this means gaining control of Novi Seher, Zepce, Vares, Novi Travnik, Vitez, Busovaca, Kiseljak, and Kresevo (Fojnica, Zavidovici, and Travnik have fallen). Bitter hand-to-hand fighting is occurring in Bugojno and Gornji Vakuf, and Prozor is also a target. In Livno and Capljina, the Muslims want to constantly create tension (to try to take Stolac and reach the sea near Neum), and in Mostar, if they cannot take the entire city, they want to maintain the division.

The war plan of the Muslims is clear: to "pacify" central Bosnia as soon as possible, to settle it with Muslim population displaced by the Serbs, and then by subsequent combined infantry-artillery strikes to reduce the political and military organization of the Croatian people in Herceg-Bosna to the level of a satellite or so-called "mini Herzegovina," which would not be able to survive even 10 days without help from Zagreb. The Muslims are counting here on Croatia not reacting directly with physical force and effectively protecting Croatian territory by armed means, mostly because of international pressure and the pro-Muslim disposition of a majority of the countries involved in one way or the other in the war in Bosnia-Herzegovina.

In Sarajevo, they are concluding that the most that Zagreb can do at this moment is to strengthen the command structures of the HVO with new personnel who come from the traditionally Croatian areas in Bosnia-Herzegovina (Slobodan Praljko's joining the HVO confirms this), strengthening humanitarian, medical, and material aid, certain services in the drilling of military personnel, the repair of auxiliary equipment and heavy vehicles, the advancement of fuel, etc.

The Serbs are deriving the greatest benefit from this situation. They are now looking on the Croatian-Muslim battle from a distance and calculating this way: the Muslims will shed additional blood in fighting the stubborn Croats, and the Croatian units, the only dangerous opponent to the Serbian units, will gradually weaken and more and more look for direct involvement of Zagreb, which in the end will lose patience and become mired up to its knees in a military foray to save what can be saved.

Then the fatigued Serbian troops will react, they will defeat the remnants of the crippled Muslim army, in which the Islamic fundamentalists are fighting to the end, and take from the pressured Croats "what is Serbian or what belongs to them for this or that historical reason." The Muslims who are "wise" to the long-range Serbian plans should conclude a "protective alliance" which spells out precisely who is the lord and who is the serf. Precisely as Ratko Mladic recently declared: "We will live with the Muslims like the whites and blacks in New York.... Without the Muslims, we would be poor, it is nice to have them, but in small concentrations."

The Scenario of Bargaining With Someone Else's Territory

The Serbs have taken maximum advantage on the military plane from the diminished intensity of the conflicts with the Croats. New supplies of Luna-2 surface-to-surface missiles (immediately test-fired against the Croats in Orasje), new modified combat vehicles and personnel carriers with strong armor protection (they are being tested right now on Igman), and then gas masks and clothing to protect against chemical weapons (responding to the Muslims who are threatening to begin "chemical warfare"), and so on, have been advanced from Serbia over the Drina and bridges supposedly under surveillance. All of this is taking place at a moment when every gram of ammunition obtained with great trouble or produced under impossible conditions is being weighed with a pharmacist's balance in Croatia, but also the HVO.

Most European politicians are receiving from their own intelligence echelon (present in large numbers in Croatia and Bosnia-Herzegovina) daily reports on everything that is taking place in the war-torn areas of the former Yugoslavia. They are constantly conveying everything that the great powers and Europe are in practice accepting in their diplomatic practice: Serbia is the dominant power, so militarily strong that even the sanctions have not subdued it, and it therefore is to be satisfied with a definitive relinquishment of the captured territories, and the Serbs are tacitly to be allowed to consolidate themselves on them.

The Muslims, supposedly the weakest side militarily, should be "protected" from the Serbs by being accommodated in closed "safe areas" and watched over from the air; at the same time, they would be allowed all territorial "advances" (conquests) of Croatian space in central Bosnia and western Herzegovina.

The Croats know where their place is in that scenario of bargaining with someone else's territory. Especially those who are members of the HVO—staunchly and alone on their own territory, rifle in hand, and determined to prove to the world what seemed improbable even in 1991. At that time, those who had the strongest intelligence believed an independent Croatian state unimaginable. Not only has it been created, it has been defended. Today, that same hard, but ultimately victorious road should be traveled by Herceg-Bosnia as well, so that the sufferings of 200,000 Croatian civilians, and also the death of 4,000 members of the HVO (another 15,000 were seriously wounded) would not be in vain.

Can the international community close its eyes entirely to the assaults of the Muslim units against Croatian enclaves in which there are 190,000 Croats?!

Unions on Political, Economic, War Situation

93BA1292G Zagreb VJESNIK in Serbo-Croatian 21 Jul 93 p 5

[Declaration of the Federation of Independent Trade Unions of Croatia, the Union of Croatian Trade Unions of Public Employees, and the Confederation of Independent Trade Unions of Croatia issued in Zagreb 16 July 1993 and signed by Dragutin Lesar, president of the Federation of Independent Trade Unions of Croatia; Vilim Ribic, president of the Union of Croatian Trade Unions of Public Employees; and Mladen Mesic, president of the Confederation of Independent Trade Unions of Croatia: "Declaration of the Croatian Trade Unions on the Social, Political, Economic, and War Situation"]

[Text] The SSSH [Federation of Independent (Samostalni) Trade Unions of Croatia], the MHSJD [Union of Croatian Trade Unions of Public Employees], and the KNSH [Confederation of Independent (Nezavisni) Trade Unions of Croatia], on the Basis of Decisions of Their Respective Competent Bodies, Have Decided To Speak Out to Their Members, to the Entire Croatian Working Class, to the Croatian People and Citizens of Croatia, to the Croatian Public, and to All Important Factors in Public and Political Life!

Sensing crucial moments for the Croatian people and Croatian homeland, suspecting that the international environment is unfavorable, disturbed by the weakness of Croatian policy, we, the Croatian trade unions, have asked ourselves: Will the certainty of the victory in the homeland war become uncertainty, will the accessibility of the goal become a waiting for long years, difficulty for the people, misery and stagnation of democratic processes? Dare we allow the optimism of victors to turn into the apathy of losers?

All the answers are contained in an answer to the question: What has Croatia failed to do and is there anything else it can do itself to avoid the disastrous consequences of the hypocrisy in world politics?

The trade unions, as representatives of the social interests of a majority of the Croatian people, have a duty in critical and difficult moments for their state, people, and membership, on the basis of their own democratic obligations, to state their positions concerning decisive political matters of vital interest to the people, doing this without any influence as to political parties, apart from the struggle for power, mindful exclusively of the entirety of Croatian interests.

We, the Croatian trade unions, claim the right to speak in critical terms of current policy at fateful moments such as these through which we are living now. We see such talk as a step on behalf of the vital interests of the citizens of Croatia. We recall that we made similar statements when all over the world we spoke out for the truth about the aggression against Croatia, for the truth about the democratic nature of our young homeland: from UNESCO, the world trade unions, to the Holy Father...and then when we were gathering foreign aid to those who had suffered in the senselessness of war, and then we stood behind the leadership of our state because of the freedom that had been dreamed of so long, because of an awareness of coresponsibility, and because of the principles of justice and truth.

Those same dreams, those same principles, and that same consciousness make it incumbent upon us to speak out now in the manner that is appropriate to the trade unions: openly, directly, critically, and sincerely. We have a duty to speak out because of those who suffered in the homeland war and whose sacrifice must preserve its full meaning; on behalf of return of the displaced persons whose hope must not dwindle; on behalf of Croatian workers and the rest of the population whose sacrifices must see through to the end; on behalf of our foreign friends whose support of Croatia must not be nullified and compromised by Croatia itself; and finally, on behalf of ourselves, because without an integral and democratic Croatia there are no democratic and Croatian trade unions.

On those grounds, we, the Croatian trade unions, have adopted the following:

DECLARATION
of the Croatian Trade Unions
on the Social, Political, Economic, and War Situation

I.

The difficulties and doubts being experienced by the Croatian people this very day more than ever seek an answer to the question: Where is Croatia headed?

The most important issues concerning the future road cannot and must not be left to the arbitrary assessment of a few officials. Such issues, as is ingrained in democratic societies, must be an expression of the will of a considerable majority of the people and the result of the broad consensus of relevant social entities.

Only then can we accept proclamation of the trade unions as coresponsible for the difficulties and meandering at the crossroads faced by Croatia as a state.

II.

We are disturbed by the increasingly pronounced disunity concerning the fundamental issues of the Croatian people: the policy toward Bosnia and Herzegovina, toward democratic freedoms, especially the freedom of the media, and toward the announcement of territorial exchanges....

Obviously, this kind of disunity did not arise because people have finally spoken out about debatable issues, but because such issues, just like those in the area of the transformation, foreign policy, crime, and so on, have gone too long without being resolved or are being resolved very mistakenly.

That is why we are alarmed. Especially because for us the war imposed on us is not over. We do not have Croatia until Vukovar and Knin, Petrinja and Beli Manastir, and the last Croatian village are part of it.

III.

The Croatian people and its trade unions will judge the policy of the Supreme Command of the state according to the judgment of those who have suffered most, according to the criterion of the return of the displaced persons to their homes and workers to their factories, than which there is and there must be no more important political priority for the Republic of Croatia.

All political divisions, regional particularisms, egoisms of the political elite, the difficulties of the impoverished population, and the a priori infallibility of political leaders and the wanderings of the opposition need to be subordinated to that first objective, which is grounded in the interests of the entirety of the Croatian national entity.

It is not only because of the war that Croatia finds itself both politically and socially in a gap between the victor's euphoria and the loser's apathy, between the enrichment of some of the political bigwigs and the poverty of the workers, the unemployed, the pensioners, along with a majority of the general public, while at the same time it is sinking in economic terms. This general situation simply does not withstand doubts as to achievement of the goal referred to above, the success of government policy and the justifiability of sacrifices.

IV.

Convinced that resolution of the tragedy in Bosnia and Herzegovina through war and by political means will have undoubted consequences for the destiny of the occupied Croatian territories, expressing disgust at the duplicity of world political factors, seeing the possibility that there might not be effective guarantees for the inviolability of borders, and also signs of their acquiescence in the ambitions of Serbian expansionism, we issue a warning as to the dramatic danger that the present situation may persist for long years.

That is why the correct Croatian policy in B-H has decisive importance, because this logic might very easily become acceptable to the fickle international factors: If Herceg-Bosna can do it, then so can "Krajina."

There must be no question of the constant concern of the Croatian state for the survival of the Croats of Bosnia and Herzegovina, but political priorities determined by long-term interests of the state must by no means be lost in that concern, nor the interests of all segments of the Croatian people in the neighboring state forgotten.

V.

The political errors that have been made continuously—especially the policy toward B-H and in B-H, along with the insufficient democratization within the country—have halted the aid to Croatia, have isolated it from world and European institutions, have stopped the foreign loans that had been announced, have cooled relations with proven friends of Croatia, have provoked warning sanctions and threats of sanctions.

All of that is weakening the position of the state in foreign policy, weakening economic forces, and impoverishing the people. Thus, the country's total potential, needed for restoration of the occupied territories through diplomacy or war, is being diminished.

Can a small country undertake such an imperative task as recovery of the occupied territories conducting an autarkic policy that makes it incapable of creating allies and reliable points of support?

VI.

We see the helplessness of world policy toward the territory of the former Yugoslavia as a reflection of the division of the international community. There is no question that certain countries are well-disposed toward the project of Serbian imperialism, while others are inclined toward the principle of punishing any aggression.

That is why halting the development of democratic values and wrong political moves have a doubly unfavorable effect: They furnish arguments to those who are disinclined toward Croatia, and they take them away from our friends in world politics.

Democracy must in any case be an end in itself, a value for us ourselves, our way of life even in trouble, because even in trouble we must make decisions in a democratic manner. But at the present historical moment it is equally important to us as a means of achieving victory. It was, after all, its development that provided us allies, that reduced the possibility of political mistakes, that demonstrated our superiority in terms of civilization over our enemy, and classed us where we wanted to start out as we left Yugoslavia. That is why we regret the absence of timely reactions on the part of influential factors in public, cultural, and political life, but also from the Croatian opposition, whereby it shares responsibility for the tendencies that exist.

VII.

We express dissatisfaction with the functioning of the system of government, whose result is anarchical and incompetent decisionmaking concerning important matters determining domestic and foreign policy.

Certain parallelisms that have arisen from the relationship between the parliamentary and presidential systems are still allowing elements of the autocratic mode of decisionmaking. It is not an uncommon occurrence not to know who is making the decisions on certain vital issues and where those decisions are being made. This clouds over the question of responsibility of officials and bodies of government.

Democracy cannot be "covered" by the foreign language of the Constitution and by the formal existence of a bicameral parliament when the decision-making system operates in parallel or is only a formality in carrying out decisions "ordered" in advance.

VIII.

The ineffectiveness of the law-governed state is most recognizable to us in the economic field, in the process of transformation, on matters of financial discipline, in defining criminal looting, and in intercepting and combating it. The authority of the state is being called into question because its legal standards are not respected even by some of those who hold political power. All of this is causing an erosion of moral values. There have been a number of cases of legal insecurity of persons and property, especially in the field of labor legislation and social welfare legislation. Legal insecurity of the individual and the family is an obstacle to the development of democracy.

The war is not a sufficient excuse, although the war is actually the only explanation being offered to the workers and the public as a justification.

IX.

The war is also being used as an excuse for the absence of debate and mutual tolerance, for the insufficient openness of the media, and the ready habit of issuing warrants against "internal enemies" has become a component of political monologues.

We see the systematic control of the most influential media, in particular, HTV [Croatian Television], the withholding of information, and tendentious interpretations serving only one political option as a serious obstacle to democratization and as an infringement of the fundamental human right to the freedom of information.

X.

Croatian workers have by their free will given the legitimate Croatian Government the certification of the majority. Those same workers have also freely and voluntarily expressed their determination concerning the homeland and have made a sacrifice for realization of the Croatian state.

But they have also confirmed the definiteness of their unionist and interest-based aspirations and objections, consistent with the Croatian Constitution and the achievements of the free world's civilization.

However, the continual postponement of establishment of social tripartitism and an authentic social dialogue is a serious omission taking us further from the constitutional definition of the Republic of Croatia as a welfare state and a democratic state.

As they passed through all the difficulties of the abandonment of real socialism together with their state, giving aid to the victims of expansionist Serbian aggression, upholding the survival of the state and the nation, they had to postpone some of their unionist and democratic obligations.

Today, however, in this difficult economic, social, and political situation, we must truly ask: Will all the unionist efforts go for naught, what waves will carry the Croatian workers, and whither?

The Croatian workers and their trade unions will consent to further sacrifices if they see on the horizon a real victory and a well-thought-out policy leading toward reintegration of the Croatian state.

Then every sacrifice and every self-denial has a deep justification.

Zagreb, 16 July 1993

Federation of Independent Trade Unions of Croatia

[Signed] Dragutin Lesar, president Union of Croatian Trade Unions of Public Employees

[Signed] Vilim Ribic, president Confederation of Independent Trade Unions of Croatia

[Signed] Mladen Mesic, president

Federal

Serb Opposition Leader: NATO Threat Obstacle to Peace

LD1208003093 Belgrade TANJUG in English 2246 GMT 11 Aug 93

[Text] Belgrade, Aug 11 (TANJUG)—Serbian opposition leader Vojislav Kostunica said on Wednesday [11 August] that NATO's threat of air strikes against Bosnian Serbs was the chief obstacle to peace at this time.

Advising Bosnian Serbs to show greater flexibility in negotiations in order to reduce the threat of air strikes against their positions, Kostunica, the leader of the Democratic Party of Serbia, told a press conference in Belgrade that the threat was very real because contingency plans had already been worked out.

Bosnian Moslem leader Alija Izetbegovic has no reason to end the war because it would mean losing the next elections for his failure to deliver his promise of a unitary Bosnia, and is therefore procrastinating in the talks, said Kostunica.

He insisted that sanctions against Yugoslavia, imposed for its (?believed) involvement in the Bosnian civil war, were unjust because they were not stopping the war as they were meant to do, but were hurting millions of innocent people and destabilizing the entire region. Statements by U.S. State Department officials that peace in Bosnia is not the only condition for lifting the sanctions are "morally dubious, but not surprising," he added.

The sanctions were imposed by the U.N. Security Council in May 1992 in an effort to stop the war raging between local Moslems, Serbs and Croats in neighbouring Bosnia-Herzegovina. Yugoslavia has no troops fighting in Bosnia. Kostunica said that the world was going beyond the original intention of the sanctions and applying them to humanitarian imports, such as food and medicines, which was morally unacceptable and utterly inhumane.

Opposition Leader Proposes Mobilizing Against Air-Strikes

LD1108152293 Belgrade TANJUG Domestic Service in Serbo-Croatian 1329 GMT 11 Aug 93

[Excerpt] Belgrade, 11 Aug (TANJUG)—Mirko Jovic, president of the Serbian National Renewal [SNO], today called on the governments of Serbia, the republic of Srspska, and the republic of Serb Krajina to carry out an additional mobilization in case air-strikes are carried out against Serbian positions in Bosnia in order to be prepared for an enemy attack.

At a news conference, Jovic proposed that in the event of U.S. or NATO bombardment in Bosnia-Herzegovina, diplomatic relations should be severed with all countries which voted for this decision at the United Nations as well as with all countries which permit the use of their territory for such operations.

The SNO leader said that in event of a bombing attack on Bosnia, UN Protection Forces [UNPROFOR] troops from the countries which voted for aggression should be attacked. All other UN troops should be expelled to Muslim territory.

At the same time, according to Jovic, Serbia should take urgent measures to protect its citizens living in western countries because they could be treated as terrorists. [passage omitted]

Action Against Serbs Deemed U.S. 'Obsession'

AU1208100693 Belgrade POLITIKA in Serbo-Croatian 8 Aug 93 p 5

[Commentary by Ljubodrag Stojadinovic: "The Logic of an Illogical Action"]

[Text] The confusion in Geneva and the undeniable crisis in the negotiations have arisen precisely at the time when a relatively leisurely denouement was finally expected. The excessive optimism is perhaps not able to spoil anything, not even to turn back those small encouraging steps, but in any case it brings disappointments. Just when it was thought that everything was over, that the drama was coming to an end—events quite simply demonstrated that virtually nothing in that sense (a speedy end to the war) had even begun.

In the military sense, the Muslims have lost the war because they were fighting within the political framework of an impossible state that only they represented. Nevertheless, they lived for months in the mistaken belief that defeats become the most important trump card for setting conditions. Indeed, this is not only their illusion, it has been nurtured on the largest international stage, in the same way that the defeats are not only theirs but are mainly general defeats. The whole of the civil war could be defined as the total defeat of a state concept and a Pyrrhic victory for those who had to destroy it with a struggle for survival. It is basically clear now that Bosnia-Herzegovina as a unitary, and especially Muslim, state does not have the slightest chance of survival.

Nevertheless, despite such logic, when documents were accepted in Geneva with the constitutional principles of a future alliance of Bosnian states, a new sharp turnaround appeared in Clinton's team toward the military option to resolve the crisis. Was this a surprise, could it all mean that the United States leader's team of advisers had not understood the essence of Geneva and the fragility of what had been agreed? To what extent were they familiar with what any devoted reader of the newspapers knew: that Alija [Izetbegovic] would interpret another return to air threats as a sign to somehow extricate himself from the diplomatic mess since he already could not in any way extricate himself from the military one. If we leave aside Mr. Clinton's domestic

problems and "fall in the ratings," which has already become a cliche in justifying extreme violence, the United States' "Bosnian concept" nevertheless has its own logic. One must first of all bear in mind the given bias of the largest power and its open anti-Serbian military attitude. Washington has not even concealed this, while military threats to the Serbs have for several months and with some let-ups been expressed with the rhetoric of base passions. Therefore, the dilemma over responsibilities in a possible operation is not accidental. If the superior authority of the world organization was abused in action against one side in the civil war, then this would mean, to all intents and purposes, its commitment and participation to the benefit of one of the sides.

Such an attempt to subjugate the United Nations, by means of pressure and by the only great power, would also mean a danger of formalizing what many people already see as a fact: that the administration of the palace on the East coast is slowly becoming a branch of the state office in Washington. However, there is still hope that it will not be so, and this is contained more in reasons of a practical nature rather than in ideas. Therefore, the latest stage in the United States' interference is exceptionally dangerous. Pressures "to do something" are becoming almost untenable. Everyone knows that something must be done but no one knows what exactly. If the Americans really do need a spectacular success, the question arises of how media exploitation of air strikes is possible, on condition, of course, that they really are successful. Action against artillery positions contains very definite risks for any air force regardless of its power. Action is taken in channeled directions, so there is quite a good chance of a plane being shot down because under such circumstances the electronic advantage becomes extremely relative.

The key danger would arise only if the General Staff of the United States Armed Forces was not able to communicate the happy news of a quick victory or, what is worse, if their losses were "inadmissible." The phenomenon of the military conceit of the most powerful could be explained in such cases only with the concept of revenge. In that case, the war will inevitably spread and then no one would notice how one model of stopping a war using military action had been discredited.

The Serbs in Bosnia have done everything to make American reasons for military agility pointless. However, there are no signs that anyone over the great seas has taken all this into consideration. Perhaps the planning of a strike has already gone beyond the point of withdrawal because it is thought that the Americans are already to a great extent fed up with their verbal aggressiveness and practical dejection as regards Bosnia. The fact that the Serbs have become their war obsession should not be neglected either. In the operational sense, it seems that the option of a "strictly controlled action" is not possible and all the prospects are that NATO staffs are formulating a model of a more complex operation that would include attacks on roads, command posts, and communication centers. Political signals, which hint at the possibility of a strike against any of the warring sides that do not accept the rules of the game, have been conspicuously ignored in the military plans. Hypothetically, action will have a strictly defined enemy: that is the Serbs. In practical terms, the operational camouflage and inevitability of the involvement of the belligerent sides would not spare anyone. Great destruction would be inevitable and, like in Vietnam and Somalia, most casualties would be civilians. In this case, civil war would acquire a breadth that at this moment is not possible to imagine because it would probably be a Balkan war.

Whether everything will end in Switzerland or whether it will begin again in the Balkans will not depend solely on the Americans' bombs. However, it could depend on their reason.

Air Force Plans Production of New Aircraft

AU1108164893 Belgrade POLITIKA in Serbo-Croatian 6 Aug 93 p 6

[Article by Miroslav Lazanski: "Super Galeb Is Becoming a Bird of Prey"]

[Text] The recent statement by Colonel General Bozidar Stevanovic, commander of the Air Force and Air Defense, on the "need to continue production of fighter airplanes and create conditions for the modernization of the renowned G-4 aircraft, that is, the production of a new aircraft, the G-5," has clearly aroused great interest in the public. The fact is that the Yugoslav aviation industry has a long tradition of manufacturing airplanes, ranging from those produced shortly before World War II, to the postwar jets and propeller aircraft, some of which were highly praised at international air exhibitions in Burze [name as transliterated] and Farnborough. So, what preconditions are needed to modernize the G-4 and eventually turn it into a new aircraft, the G-5?

In the Utva plant in Smederevo there are presently two prototypes of the improved version of the G-4M "Super Galeb," that have been transferred there from former aircraft manufacturer Soko, in Mostar. These two "Super Galebs" should see significant improvements: increased precision in navigation and firing, a higher degree of integration of the self-guided air-to-air and air-to-surface missiles, greater carrying capacity of and more varied weapons [ubojita sredstva], modernized electric and electronic equipment, improvements in the quality of the longitudinal command position [uzduzno komandno kolo], improvements in the reliability of the power plant [pogonska grupa] in freezing conditions, improvements in cockpit ergonomics, and improvements in the level of combat effectiveness of the plane.

Improvements in navigational precision can be achieved by incorporating a modern domestically-produced electronic targeting system, which would be better than a similar system used in French Mirages. With the integration of missiles, the new G-4M is becoming considerably

more efficient in anti-helicopter scrambles; against transportation, patrol, and reconnaissance planes; and in performing defense duties. In the new version, the new Galeb will have seven lines of adjustments for its deadly load [ubojni teret], which could weigh up to 1,950 kg. This is quite sufficient for this type of aircraft.

U.S. Blamed for Breakup of SFRY

93BA1316A Belgrade POLITIKA in Serbo-Croatian 25 May 93 p 21

[Excerpt from the book *My View of the Breakup* by General Veljko Kadijevic: "Zimmermann Is Most Responsible for Breakup of SFRY"]

[Text] *Germany's arrogant stance toward events in Yugoslavia and toward its European partners; even with the disintegration of the USSR, the breakup of the Yugoslav state cannot be a strategic interest of the United States; persistent efforts by the U.S. ambassador in Belgrade to block contacts between the Yugoslav military top brass and representatives of the U.S. administration; influence of German factions on Bush's foreign policy.*

I think that this is a big mistake in the U.S. appraisal, from the viewpoint of its long-term interests, which I will discuss more fully later on. This change and certain other circumstances that followed it, most of all German unification and the collapse of the system in all the Eastern European countries, are also leading to changes in the officially proclaimed U.S. policy toward Yugoslavia. In this phase, U.S. policy toward Yugoslavia is giving top priority to a change of regime, while completely ignoring Yugoslavia's geostrategic importance to the current and, one might also say, long-term global interests of the United States. This circumstance is being exploited most of all by Germany. Unlike previous actions toward Yugoslavia on a different level, Germany is beginning to act openly, aggressively, and arrogantly not only toward Yugoslavia, but also toward its partners in the European Community, imposing on them its own exclusive positions.

In contrast to this U.S. policy toward Yugoslavia, especially its practical application on Yugoslav soil, which has been aggressively and arrogantly executed by Mr. Zimmermann, the position of our army leadership, which I myself have continually put forward to Mr. Zimmermann, has been as follows:

Even with the disintegration of the USSR, the breakup of the Yugoslav state cannot be a strategic interest of the United States, especially not in the long run. Yugoslavia as an independent, separate, and strong state would always be a barrier against all aspirations to dominate the Balkans, whether they come from the East, as has been the case in the past—although they could reemerge tomorrow—or whether they come from Germany, as in the past, or rather as is happening today. Moreover, a stable Yugoslavia has contributed greatly to the overall stability of the Balkan region. Both these factors are in the U.S. interest. They are not, of course, in the interest of Germany, which in fact wants to be the master of the Balkans, but in order to do so it must first completely break up Yugoslavia and subjugate its seceded states in various ways.

Thwarted Visit

Bearing in mind the full complexity of the Yugoslav situation, especially interethnic relations, a change in the existing social system in the direction of building a pluralistic, democratic society must take place in such a way that it does not threaten the survival of the Yugoslav state. All the more so since the demolition of the Yugoslav state, under the realistic conditions of the internal situation and of strong, negative foreign pressures, will not occur without a bloody civil war. This can be achieved if reforming the state and reforming all of Yugoslav society proceed in an organized manner, not spontaneously; if the changes begin with the federal state and the federal Constitution, not vice versa; and if these reforms are peaceful, not forcible. Thus, the complete opposite of the process that has actually occurred in practice. Ideological and political convictions must be of secondary importance to any normal person who loves his country and his nation and is confronted with the threat of his country breaking up through civil war.

This was also the viewpoint presented by the army leadership in communication with other international partners, as well as within the country, and it was clearly and deliberately defended before institutions of the system, especially the Presidency of the SFRY [Socialist Federal Republic of Yugoslavia] and the FEC [Federal Executive Council].

I emphasized to Mr. Zimmermann that his practical work in Yugoslavia on behalf of the U.S. Government did not take into account two previous positions, that his activity was promoting the breakup of Yugoslavia through civil war, and that this could not be in the interest of the United States, but that it is in the interest of the new aspirants to domination of the Balkans, in this case the existing German policy. In our initial talks, I presented our positions very openly, while I tried to attribute his actions to an inadequate knowledge of Yugoslav conditions, especially the history of the Yugoslav nations. However, as matters further transpired, it became increasingly obvious that Mr. Zimmermann's actions were not predominantly caused by inadequate knowledge of all the essential factors of the internal Yugoslav situation, but rather by the policy of the U.S. administration, in the creation of which I participated. It is very characteristic that while I was federal secretary for national defense, Mr. Zimmermann endeavored to completely block all contact with prominent figures in the U.S. administration, especially with Secretary of Defense Cheney. Thus, Mr. Zimmermann, clearly acting through the State Department, thwarted an already confirmed visit by Mr. Cheney to Yugoslavia and its armed forces. Specifically, it had been agreed that this visit would take place between 5 and 8 July 1990. In the contact with Mr. Cheney, through the U.S. military

attache in Belgrade, it was confirmed—the military attache in Belgrade told me—that the program for the visit had been accepted by Mr. Cheney as well. All of this was going on during Mr. Zimmermann's absence from Belgrade. When Mr. Zimmermann returned to Belgrade three or four days before the visit was to begin, the visit was cancelled without any real explanation. Naturally, nothing ever came of his promise that there would be a visit a little later, in October of the same year.

Mr. Zimmermann will be remembered as a person who bore a great deal of responsibility for the breakup of Yugoslavia and as a person responsible for much of the bloodshed in Yugoslavia. Officially, I had five meetings with him, always in my office and always in the presence of his and my associates. Stenographic notes were taken at all the meetings. There was always a lot of mutual opposition at those meetings. However, one of them, when I told Mr. Zimmermann quite openly where his actions were leading Yugoslavia, ended with the conversation being broken off suddenly, after which he left my office. Anyone who is familiar with the details of Mr. Zimmermann's actual work in Yugoslavia can compare it with the position that he put forward during a talk with me on 3 July 1990: "... we have always been, and we continue to be, in favor of a unified Yugoslavia" (from the stenographic notes). At that meeting as well, he stubbornly justified that position, all the more so since he himself knew, as did I, that all his activities in practice ran counter to that position. A letter that he wrote to me in his own hand on 6 March 1991 bears witness to Mr. Zimmermann's personality:

"U.S. Embassy, Friday, 6 March

"Dear Mr. Secretary,

"Secretary Vance has told me that he met with you and that you are recovering from your operation. I would like to join him in wishing you a speedy recovery. After learning of your retirement, I also want to emphasize that it has been a particular pleasure to establish a personal relationship and cooperation with you. I often recall the warnings that you gave me in a timely fashion in connection with the Yugoslav crisis. Those and many other of your observations have helped me a great deal in perceiving and understanding the Yugoslav situation."

"Sincerely,

"Warren Zimmermann"

The course of events thus far have already provided a drastic indication of the sort of damage inflicted on Yugoslavia by this type of policy by the international community, dictated by pro-German factions in the foreign policy establishment of the Bush Administration. I am convinced that we will see very soon what sort of enormous damage this policy will also inflict on the broader international community, especially if the administration of President Clinton continues in the same direction.

It is clear how Mr. Zimmermann used "my timely warnings and observations," and to what end.

Causes of Collapse of USSR

German unification, together with the events that primarily made that unification possible—the disintegration of the USSR and of the Warsaw Pact, the collapse of the real socialist regimes in Eastern European states—have already fundamentally influenced overall events in Europe, and have had a critical effect on events in Yugoslavia.

Using the example of its attitude toward Yugoslavia, Germany has demonstrated to the entire world that its current policy, besides its real national interests as it sees them, clearly includes a strong and unconcealed dose of revanchism for its losses in the previous two world wars, especially its loss in World War II. This is visibly demonstrated in its attitude toward the Serb nation. Anyone who thinks that revanchism is limited to only some nations and states is mistaken. It is probably natural that revanchism is directed most of all at one's main adversaries. But the main adversaries that defeated Germany in World War II, as we know, were the USSR, the United States, and Great Britain. The USSR has fallen apart, and Great Britain is already retreating in the face of Germany's aggressive actions. It remains to be seen what kind of repeat encounter there will be with Germany tomorrow as a world superpower, together with the United States, and what the outcome of that encounter will be. Perhaps it will not be necessary to wait as long for an answer to that question as it appears right now. Naturally, history does not repeat itself, so that society too does not move in the shape of a full circle, but rather in the shape of an ascending or descending spiral.

We presented our assessments of Germany's role in events in Yugoslavia, based on information that was up-to-date at the time and that we had at our disposal, to Lord Carrington and especially in greater detail to Mr. Vance, and asked them to exercise influence over Germany with the backing of the countries from which they come.

(To be continued)

New Stabilization Program Planned

93BA1312H Belgrade POLITIKA in Serbo-Croatian 16 Jul 93 p 7

[Article by R. Nikolic: "A New Stabilization Program on the Horizon"]

[Text] Hyperinflation is taking on ever more dramatic dimensions, and this kind of situation is best portrayed by the fact that during the last several weeks of the work of the federal Economic Council the conditions have deteriorated still more, says Dr. Milutin Cirovic, professor, at yesterday's news conference, when he presented the mini stabilization program which that council is proposing to the federal government.

That is why the principal orientation of this council's program is to check hyperinflation as soon as possible and bring it into tolerable limits. Because it observed that primary issue is one of the main causes of inflation, the measures of the federal Economic Council are based on a firmer monetary policy, and that means printing less money.

Two Versions for Foreign Exchange

Thus, according to the proposal presented by Dr. Cirovic, in the third quarter of this year total primary issue would amount to 787,500 billion dinars, of which 200,000 billion would be earmarked to finance the federal budget, 100,000 billion for the two republics (a total of 300,000 billion for the federal budget and the two republic budgets). And then 437,500 billion dinars would be printed to finance the economy, mainly agriculture, and 50,000 billion dinars for old foreign exchange savings.

The other day, primary issue increased particularly because of grain purchases, and there is an outstanding demand, according to Dr. Cirovic, for another 400,000 billion dinars to pay for wheat. That was an additional blow and accounted for inflation taking on still more serious dimensions, which is why the Economic Council is proposing to the government an altogether new solution—commodity coupons for wheat that would be issued by the National Bank of Yugoslavia [NBJ].

As for the foreign exchange market and the exchange rate, Dr. Cirovic set forth two options which arose in the Economic Council. According to the first, the foreign exchange market would be returned from the street to the banks, and on that institutionalized market foreign exchange would be bought and sold for business firms according to the law of supply and demand, but for the general public this would be considerably later. Another measure to be introduced would be that if foreign exchange is not purchased on the unified market it could not be taken abroad (for business firms). It is envisaged, in keeping with the establishment of the unified foreign exchange market, that foreign exchange payment through bank accounts would be discontinued.

According to the second option, there were those on the Economic Council who thought for the present that conditions do not exist to introduce a firm restrictive monetary policy, so that formation of a unified market on the basis of supply and demand would only stimulate still further the exchange rate on the black market, which would nevertheless survive, as has been demonstrated several times before now. It is felt, then, that the foreign exchange rate of the unified foreign exchange market should be indexed on the basis of the rise of retail prices. In any case, both options are for discontinuing payment in foreign exchange through accounts.

As far as interest rates are concerned, the federal Economic Council is proposing that they not be tied to the rate of inflation and that the discount rate be somewhat lower than the rate of inflation.

Prices and Wages and Salaries—Unrestricted

As for incomes and prices, the Economic Council proposes that they be formed freely, except in cases of monopolists whose prices have to be subjected to administrative adjustment. Wages and salaries would remain free, assuming a limit on the highest income spread, but the present share of income at 18 percent of the social product would remain.

Old foreign exchange savings require particular attention, Dr. Milutin Cirovic, professor, says, because it has become an important social problem. The Economic Council therefore proposes that foreign exchange depositors be allowed to transfer savings from one account to another, from one person to another, and at the outset of this program's application they would be able to withdraw foreign exchange for medical treatment abroad (after approval of specialized medical commissions and also a permit from the NBJ), to purchase drugs outside the country, and they could also withdraw the dinar equivalent on as much as 50 German marks [DM] a month at the current exchange rate. Provided every depositor signs a statement, he can withdraw up to DM50 from just one bank, in cases when individuals have several foreign exchange accounts.

However, certain other variants were envisaged for foreign exchange savings. Bonds would be issued with one-half of their value guaranteed by the government and the other half by the bank in which the foreign exchange has been deposited. The bonds would mature in three years from the date of issuance, and then they would be paid off over a period of 10 years in two semiannual installments. The bonds could be used to pay customs duties and import charges, to purchase the stock of government firms and firms in which the commercial banks have equity, to purchase apartments, garages, office space, and equipment to develop private enterprise. As far as social welfare policy is concerned, according to Dr. Cirovic, it would be taken out of the business firm, because it would be established where the technological redundancies exist, regardless of how long the sanctions last.

This is the stabilization program that the Economic Council is proposing to the federal government to be implemented commencing on 1 August, and it is up to the government to decide whether to accept it or to find some other solution.

Dafiment Banka Debt to Depositors

93BA1312E Belgrade POLITIKA in Serbo-Croatian 16 Jul 93 p 11

[Article by B.D.: "Total Debt to Savings Depositors About 500 Million German Marks"]

[Text] Dafiment Banka has consolidated its internal organization and recordkeeping, windows for transactions with savings depositors are open, and payment of balances in savings accounts is going according to a

strictly established schedule and the financial capabilities of the bank at this moment. This was stated in yesterday's press release which Dafiment Banka issued in connection with expiration of the period fixed earlier for commencement of this bank's operation.

The press release mentions that as of 15 April of this year the bank's foreign exchange obligations amounted to 547,340,444 German marks [DM] on the basis of foreign exchange savings deposits, which in the meantime various payments have reduced to about DM365.5 million. Added to this are dinar obligations, which (at the official rate on 15 April) amount to DM130 million. Altogether, Dafiment Banka says, the obligations to savings depositors do not exceed DM500 million, and again "total obligations on the basis of initial foreign exchange deposits do not exceed DM200 million."

The press release goes on to say that Dafiment Kompanija has an annual profit in the country and abroad greater than that amount, which is why they say that savings depositors should not fear for their deposits.

Appealing to depositors to be patient and to respect the payment plan and schedule, Dafiment Banka informs the public that the principal orientation of all its firms will be toward importing petroleum, fertilizer, drugs, and exclusive goods for retail sale. In addition, procedures are under way to open an entire chain of boutiques, all the firms abroad have been given new tasks, and the other day Dafiment Kompanija's largest operation abroad so far opened in Moscow.

Paging Firm Operating Abroad Despite Sanctions

93BA1310A Belgrade POLITIKA in Serbo-Croatian 16 Jul 93 p 10

[Article by S.B.: "The Firm to Which the Sanctions Do Not Apply"]

[Text] At the beginning of this month, six Polish businessmen and the Canadian-Australian-Yugoslav company Bel Pagette opened the paging center Bel Pagette Poland S.A. in Warsaw. That means that the owners of this firm's pager will be able to send messages without hindrance and communicate with those who have the same pagers in Poland or any other East European country where the network is spreading with each passing day.

Exactly how much money has been invested to equip the Polish network is a trade secret, but Vera Miletic, PR manager of Bel Pagette, told us that the Polish side, the Yugoslav firm, and the Australian grouping Matrix, with which our firm is collaborating, each invested one-third of the capital, except that the Yugoslavs provided the technology and the specialists and the entire know-how for the whole project.

At Bel Pagette, they expect the network in Poland, covering 32 cities in all, could spread "in concentric circles" over the next two years, but, if the funds allow the purchase of a satellite, the entire effort could be speeded up in that country and others where they plan to introduce pagers.

As for Romania and Slovenia, because they have obtained a green light there from all the government agencies and ministries, introduction of the paging system will be completed by 1994. Our informant says that the first contacts indicate a great interest in introducing the paging system and that "as a rule there are more problems in the former Yugoslav republics than in any third country." We also learned that Mr. Zoran Markovic, the director and owner of Bel Pagette, is right now visiting neighboring Italy on business.

Zanti Savings Still Closed

93BA1312F Belgrade POLITIKA in Serbo-Croatian 16 Jul 93 p 9

[Article by B.D.: "Where Is the Woman Who Owns the Savings Bank?"]

[Text] The savings bank Zanti still has not opened its doors, although its owner, Dragica Vicentic, has been promising that to her savings depositors: first, that she would begin to pay deposits on 1 July, and then she shifted the date to the 12th of this month. There is no trace nor peep from the owner of Zanti, and there is nothing for savings depositors to do except to file charges with the Prosecutor's Office in hopes of getting their money.

"Mrs. Vicentic, whom we believed every time when she postponed payment, lied to us," we were told by one of the 2,500 savings depositors who is calling upon all those who have deposited foreign exchange in Zanti to come today at 1600 hours, as on every Thursday up to now, to the local community in Prota Mateja Street to agree on what should be done next.

Vuk Bulatovic, chairman of the Committee for Protection of Savings Depositors of Zanti, which is registered as a juridical person, is on vacation, but we learned that last Friday between 150 and 200 depositors filed suit with the public prosecutor, and 80 of them filed charges with the city SUP [Secretariat for Internal Affairs]. The embittered savings depositors do not even know what to write in the complaint, because the savings bank has frequently changed addresses: first it was at No. 11 Stevan Sremac Street, then Sveti Sava, and then it moved to Sima Milosevic, but its giro account was registered in Zemun.

In the middle of last month, when we heard Mrs. Vicentic, who told us that she was hiding, because savings depositors were threatening her, she informed us that she was waiting for the legal status of the savings bank to be settled, that it had prospects of growing to become a bank, and that she was expecting money from abroad. Nothing of that obviously has occurred up to this point. The savings depositors were hoping that perhaps Monteks Banka might be the straw that would

save their foreign exchange, because this bank was supposedly "backing the savings bank."

Along with the previous assertion that Monteks Banka had only an agreement in principle on cooperation which did not cover savings of the public, they were explicit in that bank that they had no connection whatsoever with Zanti, and thereby none with the deposits either. Only seven accounts had been opened through this savings bank through us, but with our domicile rates of interest, which we paid, and we have no idea how many depositors and what amounts were in Zanti, this relationship was explained once again in Monteks Banka.

Dragica Vicentic had been an official of the Stari Grad SDK [Social Accounting Service], and still is, we have learned unofficially, but on prolonged sick leave. The depositors say that she bought a house on Vracar with their money, she invested something in Viner Broker, and then in certain facilities, and they are afraid that the rest of the foreign exchange has been sheltered abroad.

July Pensions Increase 170 Percent

93BA1312B Belgrade POLITIKA in Serbo-Croatian 15 Jul 93 p 7

[Unattributed article: "Pensions Up 170 Percent"]

[Text] The pension check for July, which will be 170 percent larger than the previous one, should be available to beneficiaries today, according to an announcement of the republic Labor Ministry.

According to the official calculation, a pensioner who received 15 million dinars in his last check is now receiving 40.6 million.

Given the shortage of cash in the banks and the post office in recent days, the question is whether the pensioners will be able to withdraw some of their money tomorrow and how much?

In the republic Old-Age and Disability Insurance Fund, they confirmed to TANJUG yesterday that payment has been made, that is, that the money for payment has been transferred to branch offices.

Biographic Data on New Republic Officials

93BA1310B Belgrade POLITIKA in Serbo-Croatian 16 Jul 93 p 7

[Article by Branislav Radivojsa: "First Reconstruction of Nikola Sainovic's Cabinet"]

[Text] Since the first government of the Republic of Serbia was formed following the multiparty elections in February 1991, there has so far been three governments elected, and each of them has been reconstructed once.

The day before yesterday, the Sainovic cabinet also went through its first reconstruction. There are six new figures on his team, one of them a deputy prime minister, four ministers with portfolios, and for the first time a minister without portfolio.

The new deputy prime minister is Stanoje Andjelkovic, the ministers heading ministries are Milivoje Lazic (education), Borislav Antic (health), Nikola Ristivojevic (labor and social welfare policy), and Radisa Djordjevic (trade and tourism), while Mihalj Kertes is minister without portfolio.

Who are the new members of the government?

People From the Factory

Deputy Prime Minister Stanoje Andjelkovic is by and large known to the general public because he has been a deputy in the Republic Assembly since 1990. In the second term, he has also been chairman of the Assembly's Finance Committee. He comes from Krusevac and for years now has been director of the Lubricant Factory of FAM. He has a degree in economics, and it is assumed that he will take over in the government those matters which were performed by Dr. Zoran Arandjelovic, the present president of the Assembly. Negotiations with the trade unions, for instance, are one of those duties.

The new education minister, Dr. Milivoje Lazic, is head of the Mathematics Department in the School of Technology and Metallurgy at Belgrade University. He is a full professor and lecturer, and, just like Stanoje Andjelkovic, he is politically active. During the last term, he was vice president of the Belgrade Assembly, mainly assigned to the social services, which probably had a bearing when he was chosen to take the position of republic education minister. Dr. Lazic is coming to head an area which was covered by Dr. Danilo Markovic in all three governments.

Dr. Borislav Antic is a physician, a clinic head, until now was director of the republic Bureau for Health Care, and is the new health minister. Antic's specialty is social medicine and organization of the health service. Before the republic Bureau for Health Care, he had a position in the Belgrade agency of the same name. He is replacing in the ministerial post Dr. Milos Banicevic, who spent only a few months in this post, which is obviously a hot seat.

Because Dr. Jovan Radic submitted his resignation as head of the Ministry of Labor, Veterans Affairs, and Social Welfare, Nikola Ristivojevic, previously director of the Republic Bureau for the Labor Market, was chosen for that post. Ristivojevic has headed the bureau since 1990, and before that he was personnel director at Viskoza in Loznica. He is a psychologist by training and worked in that field at Hemijska Industrija [Chemical Industry] in Pancevo. The Republic Bureau for the Labor Market is part of the Labor Ministry, so that Ristivojevic is quite familiar with the operation of that government body.

Radisa Djordjevic, the newly appointed minister for trade and tourism, has somewhat more modest experience with affairs in the government apparatus. Djordjevic is also the youngest among the six new members of the Sainovic cabinet (born in 1958). Since March of this year, he has been working as assistant director of the Republic Directorate for Commodity Reserves.

Kertes Is Awaiting His Duties

Before the directorate, Djordjevic worked at Geneks, where he was assistant director of the Geneks Hotel on Kopaonik and director of the hotel Karavan-Kopaonik, as well as director of the hotel management sector in Generaleksport. The Ministry for Trade and Tourism, incidentally, is getting a minister after an interval of several months, because the first man to head that field in the Sainovic cabinet, Velimir Mihajlovic, was dismissed from the post after his arrest in connection with the well-known scandal.

Finally, the Serbian government is also going to have a minister with portfolio, the well-known Mihalj Kertes, deputy of the SPS [Socialist Party of Serbia] in the republic parliament from 1990 to the present. It is possible that Sainovic will nominate others to the position of minister without portfolio, but so far it has not been announced what Kertes will be doing. It is expected that the prime minister will announce what this deputy's duties will be on the basis of his own judgments. Kertes is a social worker by training. In the Serbian Presidency, he headed the commission for grievances (which is why he was known as the "minister for the people"), while for a time last year he had the post of assistant federal minister for internal affairs. It is also well-known that Milan Panic, former federal prime minister, demanded last August, under circumstances that were not exactly completely cleared up, that Kertes be expelled from the government of Yugoslavia.

In spite of the six new faces, the changes in Nikola Sainovic's government are not radical. After all, only three ministers have been replaced: Radic, Banicevic, and the arrested Mihajlovic, while the previous education minister, Markovic, is remaining in the government as a deputy prime minister. Only Deputy Prime Minister Arandjelovic has been chosen president of the Assembly, so that Stanoje Andjelkovic has come into the government from a bench in the Assembly.

The other 18 members of the republic executive body, including Nikola Sainovic, remain in their posts. People were also kept in the positions in areas expected soon to be abolished or at least significantly reduced. The reference is to the republic Ministries for Defense and Foreign Affairs. Personnel changes in this connection have been announced for the fall, so that the Sainovic government, by contrast with the Zelenovic and Bozovic governments, will probably experience a second reconstruction as well.

Serbia

Zastava Trade Union Demands

93BA1312C Belgrade POLITIKA in Serbo-Croatian 15 Jul 93 p 7

[Article by Dj. Vranjesevic: "Four Demands Presented to the Government of Serbia"]

[Text] Kragujevac, 14 Jul—On several occasions, the Trade Union of Zastava Automobiles in Kragujevac has acknowledged in conversations the difficulties in which society has been. But that was possible only up to the point where the biological survival of our workers, that is, our membership, was threatened. Because that is no longer possible, unless all previous agreements with the management and the government of Serbia are fulfilled by Friday, an organized strike will begin on Monday, 19 July.

That is the message conveyed in the news conference today by Ruzica Milosavljevic, president of the Organization of Trade Unions of Zastava D.D. [joint-stock company], Dragan Alimpijevic, president of the Organization of Trade Unions of the Factory Zastava Automobiles, and Sreten Milicevic, secretary of the Organization of Trade Unions in the automobile factory.

"We are aware that under these conditions everything does not depend on the management either, so the trade union has indirectly notified the government and the president of the Republic of Serbia of the position of the employees and warned of all the adverse effects of the monopolistic behavior of the banks, the electric power distribution company, municipal service organizations, and others, but none of these warnings has yielded constructive results," it was stated today.

"In the end, we had a discussion with Mr. Sainovic, prime minister of Serbia, whom we called upon to visit Zastava, but not its professional management, but the Zastava Trade Union. However, although he consented to that meeting, Mr. Sainovic has been postponing his arrival for three weeks now and giving very unconvincing explanations," Ruzica Milosavljevic said.

A letter was sent today setting forth four demands to the government of Serbia which are to be met by Friday, 16 July, to wit: that funds from the Fund for the Lowest Earnings be paid to the firm in the gross amount, the first half remitted by the 10th of the month and the second by the 20th, for the previous month; urgent realization of the demand of the Trade Union Federation and Committee of Serbian Metalworkers is demanded; an increase in the amount of food from commodity reserves and the possibility of making payment after the goods are received are called for; and it is demanded that the prime minister unfailingly and urgently make a visit to Zastava and talk to the work force.

The seven demands sent to the professional management of Zastava call for payment of advances, July wages and

salaries in the minimum amount of 60 million dinars, to be done by Friday, 16 July, and the final payment no later than 23 July. If there should be a change in the date of payment of the advances and the wages and salaries, it is demanded that a daily interest of 10 percent be added. The other demands include payment of rebates under the collective agreement and then the meeting of obligations under the head of aid to workers, payment of anniversary awards in accordance with the code of regulations, and the last two demands have to do with certain decisions of the management which were inapplicable in this situation.

Kosovo

Rugova: Situation Becoming More Dangerous Every Day

AU1108195793 Tirana Radio Tirana Network in Albanian 1730 GMT 11 Aug 93

[Text] In a letter, Dr. Ibrahim Rugova, president of the republic of Kosovo, thanks Mrs. Madeleine Albright, chairman of the UN Security Council for August, on the occasion of the approval of the relevant resolution.

The letter inform her that the situation in Kosovo is becoming more difficult and dangerous with every passing day, and is a threat to peace and international security. The Serbian repression is continuing uninterruptedly and threatens to turn into a dangerous conflict for Kosovo and the region. We want, as a preventive measure, the United Nations to make Kosovo a protectorate so as to normalize life and prevent conflict.

In the letter, President Rugova asks Mrs. Albright to thank the other Security Council members who participated in the debate for Kosovo in approving the resolution to have the CSCE missions returned to Kosovo.

Serbian Organization on Albanian Forum

93BA1312A Belgrade POLITIKA in Serbo-Croatian 15 Jul 93 p 11

[Article by Z.M.: "Cosja Is Forgetting That the Serbian People Live in Kosmet"]

[Text] Prohor Pcinski, 14 Jul—The newly established regional cultural and educational community Srpski Venac (Serbian Wreath), whose headquarters is in the medieval Serbian monastery Prohor Pcinski near Bujanovac, has held its first working meeting. Commissions and other working bodies were formed at the meeting and the specific tasks of this cultural association were established.

The Executive Committee of Srpski Venac also debated the conclusions of the Forum of Albanian Intellectuals led by Redzep Cosja. It issued a press release on that topic in which it said that the Forum of Albanian Intellectuals is deliberately neglecting the historical fact that the birthplace of Serbism and the Serbian state is located on that territory. By persistently pushing its secessionist desire to create an expanded Albania, the Forum of Albanian Intellectuals is "forgetting" that the Serbian people exists in Kosmet and knows quite well how to appreciate and defend its identity and the Serbian state.